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Trade of India, Review

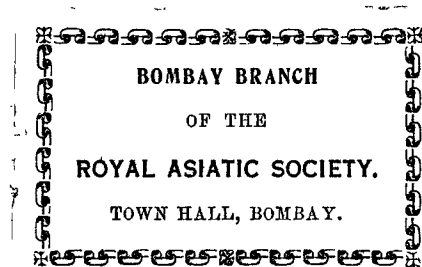
1889-90, 1890-91, 1892-93, 1895-96,

1896-97, 1897-98, 1898-99 &

1900-1901



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Government of India.
FINANCE AND COMMERCE DEPARTMENT.

REVIEW

OF THE

TRADE OF INDIA

IN

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1889-90: 1890-91, 1892-93,

1895-96; 1896-97 & 1897-98

& 1898-99 & 1900-1901

- I.—Foreign Sea-borne Trade.
- II.—Coasting Trade.
- III.—Trans-Frontier Trade.

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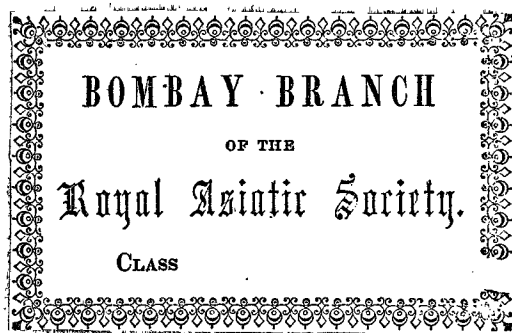
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GOVERNMENT CENTRAL BRANCH PRESS.

1890.



BOMBAY · BRANCH
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CLASS

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THE TRADE OF BRITISH INDIA

WITH
FOREIGN COUNTRIES

for the official year ending March 31, 1890.

Sea-borne Foreign Trade.

THE aggregate value of the trade under all heads for the last ten years was as follows (in rupees, 000's omitted):

		Imports.	Exports.	Total.	Percentage of increase or decrease each year compared with preceding year.
Five years	1880-81 .	592,970	759,407	1,352,377	+ 12·23
	1881-82 .	583,149	829,993	1,413,142	+ 4·49
	1882-83 .	634,562	843,817	1,478,379	+ 4·62
	1883-84 .	655,818	891,029	1,546,847	+ 4·63
	1884-85 .	670,282	850,878	1,521,160	— 1·66
Five years	1885-86 .	672,893	849,157	1,522,050	+ 0·05
	1886-87 .	697,148	901,132	1,598,280	+ 5
	1887-88 .	762,107	919,854	1,681,961	+ 5·24
	1888-89 .	804,153	986,816	1,790,969	+ 6·48
	1889-90 .	840,194	1,052,388	1,892,582	+ 5·67

The annual average trade of the first five years was Rs. 1462,381,211.

The annual average trade of the last five years was Rs. 1697,168,406, being in excess of the average of the first five years by 16 per cent.

After a pause in 1884 and 1885 the trade has been increasing at a normal rate during the last four years.

Comparing the trade values of last year with those of the one immediately preceding, the following are the results (rupees, 000's omitted):

	1888-89.	1889-90.	Increase or decrease per cent.
Imports of merchandise .	665,703	665,601	— 0·01
„ treasure .	138,450	174,593	+ 26·1
Exports of merchandise			
(Indian) .	926,427	991,011	+ 6·97
„ (foreign, re-ex- ports) .	43,354	42,958	— 0·91
„ treasure .	17,035	18,419	+ 8·13
TOTAL	1,790,969	1,892,582	+ 5·67

Imports of merchandise were not quite up to the level of the previous year. In that year there was a very active trade in cotton goods which was not sustained last year, for the trade declined materially, the only important extension being in coloured goods. There was also a heavy decline in the import of railway material and in coal. Some articles however increased, with the net result that the aggregate value of the import trade hardly diminished. The principal increases and decreases were as follows :

Increase.	Decrease.
Apparel.	Coal.
Machinery and millwork.	Cotton goods and yarn.
Metals (copper and zinc).	Iron and steel.
Oils.	Railway material.
Provisions.	Umbrellas.
Silk and silk goods.	Woollen goods.
Sugar.	

The large increase in exports of Indian goods was mainly due to an active trade in cotton, jute, rice, and oilseeds, and to a considerable increase in prices. The principal articles are shewn below in parallel columns :

Increased.	Decreased.
Cotton, raw.	Coffee.
Cotton, manufactured.	Dyes (indigo).
Grain and pulse (rice).	Hides and skins.
Jute, raw.	Opium.
Jute, manufactured.	
Seeds.	
Tea (small increase).	
Wood.	
Wool, raw.	

Re-exports of imported merchandise were slightly smaller.

Imports of treasure increased very largely, silver having been imported in somewhat greater quantity than in the last few preceding years, and gold in quite unusual quantity. This increase in the import of gold has continued in the present year.

Government Stores.

The total value of these transactions was Rs. 27,655,061, being about $8\frac{1}{2}$ per cent less than that of 1888-89 and slightly under the figure of 1887-88. They were smaller than the transactions of any of the four preceding years.

Railway materials, which constitute the largest importations on account of the State, have been declining continuously since 1885, as the following figures shew :

Rs. (000's omitted).	
1884-85 . .	12,374
1885-86 . .	22,995
1886-87 . .	18,927
1887-88 . .	12,486
1888-89 . .	12,007
1889-90 . .	10,857
TOTAL . .	<u>89,646</u>

The value of the average annual import of railway material has been about 15 million rupees, being just about half of the average value of all imports on account of Government.

The other principal articles imported by the State are metals (mainly iron and steel, copper and zinc), and hardware and cutlery, arms and ammunition, coal, woollen cloth, apparel (including boots and shoes), coal, cement, machinery and millwork, books, paper and stationery, and telegraph material. The only noticeable variation in the list occurs under the head of paper. The importation of printing paper has entirely ceased and that of writing paper has materially declined, owing to the substitution of paper made in the Indian mills whose productions have now attained a very fairly high level of quality.

Balance of Trade.

The excess of exports over imports, including treasure as well as merchandise, for each of the last ten years was (Rs., 000's omitted) :

	Including Government transactions.	Excluding Government transactions.
1880-81 .	139,160	166,436
1881-82 .	226,320	246,845
1882-83 .	189,783	209,255
1883-84 .	210,291	235,210
1884-85 .	156,346	180,597
1885-86 .	138,558	176,263
1886-87 .	173,599	203,984
1887-88 .	133,178	157,747
1888-89 .	155,484	182,664
1889-90 .	187,097	212,194

The average annual excess in these ten years comes to about 171 million rupees including Government transactions, and 197 millions excluding them.

In the same period the drawings of the Secretary of State in Council Bills have been—

	£	Exchange. Pence.	Rs. (000's omitted).
1880-81 .	15,239,677	19'956	= 183,279
1881-82 .	18,412,429	19'895	= 221,914
1882-83 .	15,120,521	19'525	= 185,860
1883-84 .	17,599,805	19'536	= 216,214
1884-85 .	13,758,909	19'308	= 171,024
1885-86 .	10,292,692	18'254	= 135,325
1886-87 .	12,136,279	17'441	= 167,003
1887-88 .	15,358,577	16'899	= 218,124
1888-89 .	14,262,859	16'379	= 208,991
1889-90 .	15,474,496	16'565	= 224,187

the average being £14,765,624 or 193 million rupees.

Trade through the Suez Canal.

The value of the trade carried through the Canal last year was Rs136,113,000, being 68 per cent of the whole trade. Ten years ago (1880-81) it was Rs12 millions, being not quite 59 per cent of the whole.

The imports brought to India by this route were about 80 per cent of the whole import trade and exports sent the same way were about 58 per cent of the whole.

Shipping.

The total number and tonnage of the shipping, steam and sailing, with cargoes and in ballast, which entered from and cleared to foreign countries, during each of the last five years, are as follow :

—	Number.	Tons.	Average tonnage.
1885-86	10,562	7,294,589	691
1886-87	10,584	7,172,193	678
1887-88	10,893	7,189,465	660
1888-89	10,485	6,983,332	666
1889-90	10,673	7,315,586	685

Steamer tonnage represented about 73 per cent of the whole : five years ago it was only 65 per cent of the whole. The total number of steamers which entered and cleared was 3,356, with an aggregate burden of 5,331,695 registered tons, the average tonnage of each steamer being 1,589 tons. Less than $3\frac{1}{2}$ per cent of the steamers which cleared left without taking away some cargo.

Of the 3,356 steamers, about half (1,608) passed through the Suez Canal, their tonnage (3,055,364 tons) being 57 per cent of the whole.

Of the total of 7,315,586 tons, the entries from and clearances to the United Kingdom were 2,710,389, or 37 per cent. Five years ago the proportion was $43\frac{1}{2}$ per cent, and the actual tonnage was also larger by about 15 per cent. Entries from and clearances to British possessions have increased in the same period (in tonnage) by about $11\frac{1}{2}$ per cent, and the tonnage of vessels from and to foreign countries by about 7 per cent, Germany and Russia being the two countries in the navigation of which from and to India the greatest increase has occurred. The development of the petroleum trade with Batoum has caused the shipping intercourse with Russia to increase from 2 ships and 2,124 tons in 1885 to 30 vessels and 51,537 tons last year. The increase of direct trade with Germany has in five years raised the shipping trade with that country from 23 vessels and 28,457 tons to 64 vessels and 98,908 tons.

The tonnage of vessels sailing under the British flag represented $8\frac{3}{4}$ per cent of the whole, a larger proportion than in previous years.

The tonnage of vessels under foreign flags was only 12 per cent of the whole : in 1883 the proportion was 16 per cent.

The proportion of tonnage of vessels under British Indian registry was only about 4 per cent of the whole. The number of these vessels is large, amounting to 2,168, but their tonnage is small, the average for each vessel being only 141 tons. The average tonnage of British vessels is 1,612 tons, that of foreign

vessels only 660 tons. The total number of vessels under foreign flags which entered and left last year was 1,341, aggregating 885,304 tons, the principal flags being :

	No.	Tons.
Austrian	100	181,939
German	138	180,996
Italian	114	177,200
French	121	116,404
Arab	620	79,994
Norwegian	68	61,877
American	31	44,043
TOTAL	1,192	842,453

There has been some material increase in Austrian and Italian shipping in recent years, and the German flag on the whole shews a tendency to increase though fluctuating. But all the others are more rarely seen in Indian ports than used to be the case.

The native craft employed in the foreign trade do not increase. They represent ~~less than 2~~¹/₄ per cent of the whole tonnage. Except for intercourse with the Straits and the Malayan Archipelago, Ceylon, the Maldives, and the Coast from Karáchi to Maskat, these craft will no doubt eventually disappear from the foreign carrying trade, and be superseded by steamers.

The following table shews the share of each of the maritime provinces of India in the movement of shipping with cargoes in the last five years :

—		1885-86.	1886-87.	1887-88.	1888-89.	1889-90.
Bengal	No.	1,160	1,145	1,147	1,066	1,042
	Tons	1,568,322	1,646,298	1,683,421	1,656,576	1,675,515
Bombay	No.	1,969	2,025	2,027	1,939	1,862 ¹ / ₅
	Tons	2,049,235	2,139,483	2,142,791	2,175,685	2,004,030
Sind	No.	828	712	795	767	927
	Tons	504,004	419,899	363,892	413,602	492,701
Madras	No.	3,476	3,537	3,692	3,588	3,520
	Tons	1,192,454	1,170,488	1,200,274	1,105,546	1,195,697
Burma	No.	1,014	1,052	1,003	768	894
	Tons	945,842	959,417	1,045,425	816,187	980,567

The proportion last year was—

Bombay and Sind,	about 39 per cent.
Bengal	" 26 "
Madras	" 19 "
Burma	" 15 "

The proportion of shipping in Madras is nearly double the proportion which that Presidency has of the foreign trade, but there is an active intercourse of native craft between the coasts of Madras and the Maldives, Ceylon, and the Archipelago. These greatly swell the tonnage.

Gold and Silver Coin and Bullion.

The imports and exports of gold during the last ten years were (rupees, 000's omitted)—

	Imports.	Exports.	Balance net imports.
1880-81 . .	36,720	168	36,552
1881-82 . .	48,564	124	48,440
1882-83 . .	50,951	1,642	49,309
1883-84 . .	54,694	69	54,625
1884-85 . .	47,781	1,062	46,719
1885-86 . .	30,915	3,286	27,629
1886-87 . .	28,336	6,565	21,771
1887-88 . .	32,361	2,436	29,925
1888-89 . .	31,191	3,052	28,139
1889-90 . .	50,710	4,557	46,153

The imports and exports of silver in the same period have been—

	Imports.	Exports.	Net Imports.
1880-81 . .	53,162	14,236	38,926
1881-82 . .	64,663	10,873	53,790
1882-83 . .	83,580	8,778	74,802
1883-84 . .	74,085	10,034	64,051
1884-85 . .	91,100	18,644	72,456
1885-86 . .	123,862	7,796	116,066
1886-87 . .	82,197	10,640	71,557
1887-88 . .	105,898	13,611	92,287
1888-89 . .	107,259	14,792	92,467
1889-90 . .	123,885	14,506	109,379

The importation of gold last year was much larger than it has been since 1884-85 when the rapid increase in the silver price of gold caused the purchases of the more valuable metal to shrink to very small proportions. The imports of the year were in fact not very much below the average of the years which preceded the great divergence in the relative value of the two metals. During the present year they still continue on a large scale, and if the decline in the silver price of gold should continue there will probably be a continued purchase of gold. Silver also was imported during the year on a large scale.

Since 1859-60 the net imports of the precious metals have been (rupees, 000's omitted)—

	Gold.	Silver.
From 1859-60 to 1872-73 . .	726,062	1172,242
From 1873-74 to 1889-90 . .	452,573	1209,943
Total . .	<u>1178,635</u>	<u>2382,185</u>

The total value of both amounts to Rs3560,821,094, or, at the conventional rate of 2s. to the rupee, about £356,000,000, to which may be added 101½ millions imported from 1834 to 1859, making altogether since 1834 some £457½.

millions, not reckoning what has been imported across the land frontier of which there is no account. It will be noticed that for every rupee's worth of gold two rupees' worth of silver has been imported and that the average import of gold since 1873 has been only about half what it was from 1859 to that year; also that the average import of silver in the later period has been appreciably smaller. The average of the first period was affected by the years of the American Civil War when in exchange for Indian cotton both gold and silver flowed into the country in abnormal quantities. The average of the second period was affected in the opposite way by the years of the Madras famine.

The silver coinage of the British Indian mints from 1859-60 to 1889-90 has amounted to Rs. 2117,300,000. There are no statistics of the coinage in the mints of the Native States.

Customs Revenue.

The gross sum received on imports (excluding salt) since 1885-86 was as follows:

	1885-86.	1886-87.	1887-88.	1888-89.	1889-90.
	Rs.	Rs.	Rs.	Rs.	Rs.
Arms and ammunition	168,740	217,107	223,704	260,892	238,667
Malt liquor	81,283	107,124	131,787	152,050	174,390
Cider and other fermented liquor	2,887	1,184	1,336	1,510	2,188
Spirits	3,630,746	4,297,083	4,629,349	4,828,544	4,923,713
Liqueurs	42,754	52,031	60,768	64,564	69,427
Wines	423,972	424,551	454,683	436,175	422,937
Opium	2,797	4,282	2,548	3,058	2,853
Mineral oil	—	—	137,090	1,174,891	1,623,923
Imports by post, &c.	1,322	1,640	1,349	1,589	1,329
Total gross revenue	4,354,501	5,105,002	5,642,614	6,923,273	7,459,427
Total net revenue	4,265,513	4,992,553	5,497,810	6,762,838	7,241,159 <i>to</i>

The net export revenue for the same years (levied exclusively on rice) was—

	Rs.
1885-86	7,276,281
1886-87	6,964,619
1887-88	7,390,653
1888-89	5,979,563
1889-90	7,057,213

The net import duty increased by about 23 per cent in 1888-89, mainly as the result of the new duty of half an anna per gallon imposed since February 1888 on mineral oil, free until then. Last year there was a further increase of 7 per cent.

The net export revenue of 1888-89 was less by 19 per cent than the revenue of the preceding year, the exports of rice from both Burma and Bengal having been greatly restricted. Last year there was a material recovery, though the revenue was not quite so large as in 1887-88. The exports of rice from Bengal continued small in consequence of poor harvests and high prices.

The total revenue (net) from imports and exports was much larger than in the two previous years, owing chiefly to the import tax on petroleum :

	Rs.
1887-88 . .	12,888,463
1888-89 . .	12,742,401
1889-90 . .	14,298,372

Provincial Trade.

The figures of the trade of each province stand thus (ooo's omitted) :

	1885-86.	1886-87.	1887-88.	1888-89.	1889-90.
<i>Imported Merchandise.</i>					
Bombay .	220,143	234,814	254,869	265,038	264,230
Bengal .	199,856	233,380	232,084	257,021	251,316
Madras .	42,503	53,181	53,270	57,960	61,663
Burma .	34,198	37,100	56,893	50,054	54,544
Sindh .	21,414	28,137	25,831	35,630	33,848
<i>Exported Merchandise.</i>					
Bombay .	312,983	342,205	343,950	389,085	394,069
Bengal .	331,120	355,983	371,085	378,208	396,727
Madras .	82,644	91,313	97,323	103,257	115,149
Burma .	67,803	65,866	66,317	61,088	77,813
Sindh .	43,726	28,917	26,040	38,143	50,209

Taking imports and exports of merchandise together the foreign trade of each province stood as follows during the year in rupees (ooo's omitted) :

	1888-89.	Percentage on whole trade.	1889-90.	Percentage on whole trade.
Bombay .	654,123	39.99	658,300	38.73
Bengal .	635,229	38.84	648,043	38.13
Madras .	161,218	9.86	176,812	10.4
Burma .	111,142	6.80	132,357	7.79
Sindh .	73,773	4.51	84,057	4.95

Trade increased in every province, most largely in Burma whence the export of rice was active, and but slightly in Bengal and Bombay. The rate of increase per cent in each province was as follows last year : Bombay, 0.64 ; Bengal, 2 ; Madras, between 9 and 10 ; Burma, 19 ; Sindh, about 14. In Bengal the small increase which is shewn is due rather to increased export values—prices of jute and rice, for instance, having largely increased—than to an increase in the quantities exported. Imports were not so large as in the preceding year.

In Bombay also the import trade was slightly smaller, and the increase in export values was mainly due to the large quantity of cotton available for export combined with an increase in the price of it. This abundant supply of cotton saved the trade of Bombay from exhibiting an actual decline in the year. The quantity of wheat exported from Bombay was hardly half of that exported in the preceding year. Indeed, Karáchi alone exported more wheat than Bombay and Calcutta put together, and but for the circumstance that the Punjab had a good crop available for export from Karáchi the export of wheat from India would have been insignificant.

Both the import and export trade of Madras was large, considerable quantities of cotton, sugar, indigo, and seeds having been exported.

The trade and navigation of India with foreign countries have been distributed during the last seven years in the following proportions between the five chief ports. Treasure is included in the trade here :

—	1883-84.	1884-85.	1885-86.	1886-87.	1887-88.	1888-89.	1889-90.
<i>Trade.</i>							
Bombay . .	41'55	43'51	43'79	42'78	43'37	44'03	43'95
Calcutta . .	38'45	36'97	35'97	36'9	35'87	35'6	34'04
Rangoon . .	5'06	4'67	4'93	5'01	5'9	5'2	5'76
Madras . .	5'28	5'43	5'0	5'58	5'44	5'3	5'58
Karachi . .	3'36	3'79	4'34	3'68	3'2	4'26	4'53
TOTAL . .	93'70	94'37	94'03	93'95	93'78	94'39	93'86
<i>Shipping.</i>							
Bombay . .	33'82	34'78	32'67	33'7	33'23	35'22	31'48
Calcutta . .	26'41	24'77	23'54	24'52	24'44	25'41	24'74
Rangoon . .	8'8	9'23	9'20	9'36	10'82	10'1	10'9
Madras . .	7'24	7'62	8'1	8'07	8'05	7'22	8'26
Karachi . .	5'81	6'61	8'05	6'62	5'65	6'71	7'76
TOTAL . .	82'08	83'01	81'56	82'27	82'19	84'66	83'14

The following figures shew the actual extent of the foreign trade of the seven largest ports of India in merchandise only, imports and exports (including re-exports), during the last seven years (rupees, 000's omitted) :

—	1883-84.	1884-85.	1885-86.	1886-87.	1887-88.	1888-89.	1889-90.
Bombay . .	532,578	542,297	532,643	576,528	596,546	652,923	657,480
Calcutta . .	573,355	532,239	520,041	577,721	589,558	622,882	631,124
Rangoon . .	78,103	70,765	74,997	79,631	98,977	93,100	108,937
Madras . .	78,236	78,118	73,674	85,208	88,001	92,967	103,393
Karachi . .	50,483	55,975	65,140	57,054	51,868	73,772	84,057
Tuticorin . .	13,591	12,168	10,951	14,266	16,139	16,551	22,647
Chittagong . .	10,062	8,310	8,294	9,695	12,570	11,351	15,126

The increase of trade during this period in these ports has been at the rate mentioned below :

Bombay . .	23'45	per cent.
Calcutta . .	10'07	„
Rangoon . .	39'48	„
Madras . .	32'15	„
Karachi . .	66'5	„
Tuticorin . .	66'63	„
Chittagong . .	50'33	„

The increase in the trade of the three last named ports is noticeable. If the Chittagong-Assam railway should be constructed Chittagong is destined to become a place of considerable trade.

Trade with Countries.

The following table exhibits the value of the trade between India and the countries with which India has considerable or increasing commercial connections, for each of the last five years. The countries are enumerated according

to the importance of the trade with them in 1889-90 (in rupees, 000's omitted) and the figures include the value of imports and exports, including treasure :

—	1885-86.	1886-87.	1887-88.	1888-89.	1889-90.
1. United Kingdom	846,392	877,084	921,824	983,066	1020,852
2. { China—Hong-Kong	133,053	141,623	143,736	142,443	142,081
{ China—Treaty Ports	50,977	35,463	37,724	47,312	44,729
3. France	74,080	85,947	81,675	96,192	91,457
4. Straits Settlements	53,903	58,396	64,314	67,700	74,193
5. Belgium	39,967	39,039	34,760	51,943	65,182
6. United States	44,828	51,355	57,302	55,792	56,866
7. Italy	45,488	58,666	53,742	41,935	47,952
8. Egypt	35,544	30,264	35,300	37,085	41,696
9. Austria	26,681	34,446	35,889	39,569	37,864
10. Ceylon	29,078	30,960	32,760	31,971	37,146
11. Germany	5,283	9,449	12,268	17,535	33,462
12. Mauritius	20,615	26,255	26,936	25,205	29,772
13. Persia	21,038	21,546	21,999	24,288	27,625
14. Australia	15,678	11,549	21,497	19,251	22,137
15. Arabia	16,760	19,774	18,658	18,876	21,195
16. Zanzibar, Mozambique, and other ports on the East Coast of Africa.	10,321	12,850	18,340	15,339	15,755
17. Japan	2,989	4,316	7,482	10,611	12,876
18. Aden	9,382	9,723	11,935	12,192	11,973
19. Turkey in Asia	7,668	8,361	9,488	10,594	11,706

Our trade with the world last year was thus distributed (rupees, 000's omitted):

	With Europe.	With Africa and adjacent islands.	With Asia.	With America.	With Australia.
Bengal	461,359	18,437	106,134	49,431	12,682
Bombay	441,500	34,396	179,321	2,399	683
Sindh	69,369	8,283	5,748	650	8
Madras	143,989	4,405	23,038	4,662	718
Burma	64,926	24,071	35,590	7,222	548
TOTAL	1,181,143	89,592	349,831	64,364	14,639

Analysing this table we find that our trade with Europe is 69 per cent ; with Asia 20½ per cent ; with Africa over 5 per cent ; with the American Continent 4 per cent ; and with Australasia under 1 per cent ; of our whole trade. The trade set against Africa, however, is not all trade with that Continent, a considerable proportion being trade with Egypt which is really European trade, owing to the practice of making Port Said a port for orders. This Egyptian trade amounts to about 39¾ millions of rupees, and if we deduct from Africa on this account 35 millions (which would be a moderate deduction) and add this sum to the total value of trade with Europe, the totals (000's omitted) and percentages in each case would work out as follows :

	Total value.	Propor- tion.
Europe	1,216,143	71·5 per cent.
Asia	349,831	20·6 „
America	64,364	3·8 „
Africa	54,592	3·2 „
Australasia	14,639	0·86 „

Bengal has a larger trade than any other province with Europe, America, and Australia, though Bombay stands but little behind as respects European trade; and Bombay has the largest trade with African and Asiatic countries.

The increase during the year in the trade with the United Kingdom amounted to a little under 38 millions of rupees, or, say, nearly four per cent. The increase in the trade with the other countries mentioned amounted to nearly sixty millions of rupees, or nearly eight per cent.

In the twenty years which have elapsed since 1871 the total trade of India has increased by about 77 per cent, but the trade with England has increased by only 56 per cent, and, as will be seen from the table of percentages given below, the proportion which trade with England bears to the whole trade is slowly declining. From a proportion of about 63 per cent of the whole in 1870 it fell to about 56½ per cent in 1880, the opening of the Suez Canal having caused a diversion of trade which formerly went through England. Five years later the proportion was about 55½ per cent, and now it is about 54 per cent. England, however, still has more than half the whole Indian trade and her Colonies have a substantial proportion of the remainder. If England's share of the trade is declining, the decline is very slow, and the actual augmentation of the trade, though not relatively so large as that with other countries, will be regarded as very satisfactory when it is borne in mind that the trade with England today is as large as was the whole trade of India with the world twenty years ago.

The subjoined table shews for each country the proportion per cent which the trade with it bears to the whole trade of India. The countries are placed in order of importance of last year's trade.

	1885-86.	1886-87.	1887-88.	1888-89.	1889-90.
1. United Kingdom .	55·61	54·88	54·81	54·89	53·94
2. { China—Hong-Kong	8·74	8·86	8·55	7·95	7·51
{ China—Treaty Ports	3·35	2·22	2·24	2·64	2·36
3. France . . .	4·87	5·38	4·85	5·37	4·83
4. Straits Settlements .	3·54	3·65	3·82	3·78	3·92
5. Belgium . . .	2·63	2·44	2·07	2·90	3·44
6. United States .	2·95	3·21	3·41	3·11	3·
7. Italy . . .	2·99	3·67	3·19	2·34	2·53
8. Egypt . . .	2·34	1·89	2·10	2·07	2·2
9. Austria . . .	1·75	2·16	2·13	2·21	2·
10. Ceylon . . .	1·91	1·94	1·95	1·78	1·96
11. Germany . . .	0·347	0·59	0·73	0·98	1·77
12. Mauritius . . .	1·35	1·64	1·60	1·41	1·57
13. Persia . . .	1·38	1·35	1·31	1·36	1·46
14. Australia . . .	1·03	0·72	1·28	1·07	1·17
15. Arabia . . .	1·1	1·24	1·11	1·05	1·12
16. Zanzibar, Mozambique, and other ports on the East Coast of Africa.	0·68	0·80	1·09	0·86	0·83
17. Japan . . .	0·196	0·27	0·44	0·59	0·68
18. Aden . . .	0·616	0·61	0·71	0·68	0·63
19. Turkey in Asia .	0·504	0·52	0·56	0·59	0·62

In respect of most of these countries there is nothing particular to remark in the trade of the year, the fluctuations being ordinary increases or decreases in established trade. There are, however, three countries which call for notice in consequence of the sudden growth of commercial intercourse with them in recent years.

From Russia an import trade has been created in the last four years which last year amounted to about $7\frac{1}{2}$ million of rupees, the imports consisting almost entirely of petroleum from Batoum. Contemporaneously with this import trade an export trade has been developed, the value of which has averaged in the last four years $4\frac{1}{3}$ million rupees, the average of the trade of the previous ten years having been only one million. The exports consist mainly of raw cotton, seeds, and indigo. The yarn and cloth spun and woven by the Russians from this raw cotton are sent into the markets of Central Asia whence Indian cottons are rigorously excluded by the fiscal régime of the Russian authorities. Indigo from India is also kept out from the same region by heavy duties and the people compelled to obtain the dye, or stuffs dyed therewith, through Russia.

The sudden increase in our trade with Germany merits attention. The following are the figures of imports and exports of merchandise in each of the last five years :

	Imports	Exports
	(in Rs., 000's omitted).	
1885-86 .	1,201	4,082
1886-87 .	1,603	7,846
1887-88 .	1,945	10,323
1888-89 .	2,480	15,055
1889-90 .	5,639	27,823

The increase has amounted to 533 per cent in five years, imports 369 per cent, exports 581 per cent. If this rate of increase, or anything approximating to it, should be maintained in the future, the trade between Germany and India will be one of considerable dimensions in the next ten years. Some attribute the marked increase in imports from Germany in the two last years to the operation of the English Merchandise Marks Act, the rigid administration of which has had the effect of interfering with the transshipment trade and has led to the establishment of direct trade with India. This may be the case as regards some of the imports, but a material portion of the increase in the trade of the year was in the import of salt, the price of which ranged at a very high level in Calcutta and Rangoon throughout the year. The German lines of steamers established recently for direct intercourse with India must necessarily come out laden with salt until the import trade has so far increased that they can fill up with better cargo.

With Belgium the development of trade has not been nearly as great as with Germany, but the actual trade is very much larger.

The figures for merchandise for the last five years are as follow :

	Imports	Exports
	(in Rs., 000's omitted).	
1885-86 .	2,667	37,300
1886-87 .	2,952	36,086
1887-88 .	3,046	31,713
1888-89 .	5,267	46,677
1889-90 .	8,738	56,444

Imports have increased 228 per cent and exports 51 per cent in this period, the total trade giving an increase of 63 per cent, or more than three times as much as might be regarded as a fair average increase.

Import Trade.

The values of imported merchandise during the last twenty years stand thus :

	Exchange. d.	Rs. (000's omitted).
1869-70 . .	23'25	329,275
1870-71 . .	22'375	333,482
1871-72 . .	23'125	308,108
1872-73 . .	22'75	304,730
1873-74 . .	22'351	316,285
<i>Average</i> . .	22'770	<i>Average</i> . 318,376
1874-75 . .	22'221	346,452
1875-76 . .	21'645	371,126
1876-77 . .	20'491	353,671
1877-78 . .	20'79	393,260
1878-79 . .	19'761	365,662
<i>Average</i> . .	20'981	<i>Average</i> . 366,034
	increase about 15%	
1879-80 . .	19'961	397,421
1880-81 . .	19'956	503,088
1881-82 . .	19'895	469,921
1882-83 . .	19'525	500,030
1883-84 . .	19'536	527,039
<i>Average</i> . .	19'774	<i>Average</i> . 479,500
	increase = 31%	
1884-85 . .	19'308	531,493
1885-86 . .	18'254	518,115
1886-87 . .	17'441	586,614
1887-88 . .	16'899	623,848
1888-89 . .	16'379	665,703
<i>Average</i> . .	17'656	<i>Average</i> . 585,154
	increase about 22%	

Last year the value of imported merchandise was R665,601,205, the average exchange of the year being 16'565*d*. The trade has just about doubled in twenty years.

The table of variations in prices of certain staple articles of import at Calcutta which was printed in the review of the trade of 1888-89 is reproduced here,

brought up to date. It will be seen that prices were on the whole lower last year for cotton goods and yarn than in the year preceding it.

Taking the prices of March 1873 as = 100, the following table shews the variations in the prices of staple imports since then at Calcutta :

	Grey shirtings, 8½ lb.	Mule twist, white, No. 40.	Mule twist, Turkey red, No. 40.	Copper, sheathing.	Iron, flat, bolt, &c.	Total.
March 1873 . .	100	100	100	100	100	500
June 1874 . .	97	92	106	95	108	498
March 1875 . .	86	92	102	103	93	476
„ 1876 . .	86	90	92	99	79	446
January 1877 . .	78	90	85	92	67	412
„ 1878 . .	73	78	87	86	60	384
„ 1879 . .	76	75	78	80	56	365
„ 1880 . .	81	84	75	83	73	396
„ 1881 . .	82	82	69	81	56	370
„ 1882 . .	78	84	69	89	71	391
„ 1883 . .	82	74	54	80	60	350
„ 1884 . .	75	74	62	77	62	350
„ 1885 . .	76	72	58	64	54	324
„ 1886 . .	84	67	57	57	50	315
„ 1887 . .	81	62	57	65	53	318
„ 1888 . .	79	75	59	90	61	364
„ 1889 . .	81	75	57	98	65	376
„ 1890 . .	76	74	57	69	79	355
August 1890 . .	67	71	55	72	64	329

In the review of the trade of 1888-89 the following remarks were made :

The great feature of the year was the expansion of the trade in cotton manufactures, the increase in which was over 400 lakhs, or but little less than the total increase in the import trade generally. It was in the main a speculative increase justified by the condition of the English manufacturing industry rather than by the condition of the Indian consuming market. Imports in the present year of yarn and of white piece goods are smaller than in the same period of last year, and it is probable, considering the condition of the Indian market and that manufacturers in England have agreed to work short time, that other kinds of cotton goods will decline too.

The anticipation has proved to be tolerably well founded, the trade in cotton yarn and goods last year having declined by 16,300,000 rupees. Among other fluctuations in the import trade the most noticeable are : a very large increase in the imports of copper ; a continued increase in machinery and mill-work, aniline and alizarine dyes, kerosene oil and apparel ; and a decrease in railway material and coal.

The more important articles will now be briefly noticed in the order in which they are grouped and classified in the statistical tables :

I.—Animals, living :

	<i>Value in Rs.</i> (000's omitted).
1885-86 .	2,568
1886-87 .	2,612
1887-88 .	2,561
1888-89 .	2,953
1889-90 .	2,397

The bulk of this sum represents the value of horses imported from Australia and the Persian Gulf. There was a large decrease in the importations from Australia.

II.—Articles of food and drink :

	<i>Value in Rs.</i> (000's omitted).
	58,519
	67,896
	74,970
	74,691
	78,677

The increase in this group is mainly due to a large import of Sugar, and in a smaller degree to larger imports of Tea.

Under this head there was a decrease on the whole, spirits as well as wines having been imported in smaller quantities, while the importation of malt liquor continued on an extensive scale. The fluctuations in the import of malt liquor are curious. Fifteen years ago (in 1875) the imports suddenly fell from an average of about $1\frac{1}{2}$ million gallons to an average of a little more than one million, remaining at this point for ten years when they began to increase. The trade since 1884-85 has been steadily augmenting year after year, and its dimensions now are nearly three times as great as they were six years ago :

	Gallons.
1884-85 .	1,066,913
1885-86 .	1,299,408
1886-87 .	1,715,638
1887-88 .	2,138,518
1888-89 .	2,398,580
1889-90 .	2,797,965

Various causes in combination may be assigned for this remarkable augmentation of trade. The character of the beer has changed, and many are able to drink the lighter qualities now imported who were unable to drink the heavier beers that were formerly imported ; there has been a great increase in the classes of the European population accustomed to drink beer habitually—artisans, workers in mills and factories, men employed on railways and inland and coasting steamers, and so forth ; there has also without doubt been created a taste for beer among the Madras coolies who work for high wages in Burma and return annually to Madras with their earnings (the imports into Madras and Burma have increased much more largely than in other provinces) ; the strength of the British

army has been largely augmented ; and the prices of beer have materially fallen. But it is hardly likely that these causes alone can have brought about such a sudden development in consumption, and the most effective cause may perhaps be sought in competition. The English brewers keenly felt the competition of the German and Austrian brewers and actively sought to retain a market which seemed to be undermined from without by continental beer and from within by Indian beer. At the same time the practice recently adopted by the large English brewers of " tying " public houses restricted the clientèle of the smaller brewers and forced them to seek openings in the foreign markets for a production which was in excess of home requirements and the conversion of private breweries into limited companies has been followed by the necessity of shewing increasing sales. Hence the pushing of beer in the Indian and other external markets.

The trade in spirits does not increase much, if it can be said to increase at all. The imports of the year were smaller than those of the preceding year. They amounted to 1,100,414 gallons, of which whisky 386,337, brandy 341,358, gin 87,636, rum 38,885, and " other sorts " unenumerated amount to 246,198. The consumption of gin and rum is distinctly on the decline, the imports of rum having fallen to less than half what they were five years ago. Possibly the place of imported rum is being taken by rum distilled according to European methods in India. The largest share of both these liquors is consumed in Burma, much of the rum being no doubt drunk by the Madras troops as well as by the British soldier. The unenumerated kinds of spirits consist largely of arrack from Ceylon, shamshu from China and the Straits, perfumed spirits and spirits mixed with drugs or prepared for use in the arts.

The trade in wines is still less flourishing than that in spirits. Champagne stands on the level at which it stood five years ago, and the imports are only half what they were some years ago. Claret has steadily fallen off year by year. Sherry has fallen to a very low point. Port appears to be recovering but the imports do not exceed what they were many years ago. Other sorts of wines—including those of Germany, Italy, Greece, and Australia—have increased substantially, but the total quantity of all wines imported last year exceeded that imported five years previously by less than one per cent. In the same period liqueurs have increased about 27 per cent, but the imports are very small—only 13,581 gallons last year.

Provisions.

The import of salted fish still continues on an extensive scale, though not so large as last year. Of 18 million pounds imported, Burma received about 10½ million pounds from the Straits, the increase of the salt duty having given a stimulus to this trade, the imports being free of duty. About 5 million pounds were imported into Bombay from the Mekran and Arabian Coasts.

Salt.

Imports have been as follows in the last five years :

1885-86	. .	363,088	tons.
1886-87	. .	416,592	"
1887-88	. .	423,897	"
1888-89	. .	398,810	"
1889-90	. .	410,808	"

The increase of price in Liverpool salt to which reference was made in the review of the trade of 1888-89 has had the effect of reducing imports from

England and of increasing imports from other countries which immediately made haste to compete. The imports of the last three years have been as follow :

	1887-88.	1888-89.	1889-90.
	Tons.	Tons.	Tons.
United Kingdom .	339,651	337,089	285,767
Germany .	23,187	7,711	45,439
Arabia .	42,633	20,129	35,736
Aden .	15,004	17,397	33,782
Other countries .	3,422	16,484	10,084
	<u>423,897</u>	<u>398,810</u>	<u>410,808</u>

The average import annually for these years amounts to 411,172 tons. In the three calendar years of 1887, 1888 and 1889, the quantity of salt produced in India gives an average annual production of about 1,051,000 tons.

Prices of Liverpool salt kept very high in Calcutta until about the close of the year, the average for the year being but little below that of the preceding year. The prices since 1881-82 have been as follow (duty excluded) :

	Rupees per 100 maunds.
1881-82 .	51'9 to 60'4
1882-83 .	48'9 „ 55'9
1883-84 .	56'3 „ 62'3
1884-85 .	52'5 „ 57'9
1885-86 .	55'9 „ 60'6
1886-87 .	68'5 „ 74'4
1887-88 .	73'5 „ 80'8
1888-89 .	88'3 „ 102'6
1889-90 .	89'8 „ 98'2

They have fallen materially however since then, the range being :

1890.	
March .	87'8 to 91'8
April .	81'75 „ 91'5
May .	79'75 „ 91
June .	76 „ 87'7
July .	66'12 „ 82

The fall is chiefly the consequence of the rise in exchange, though no doubt the competition of other salts has had something to do with it also.

The imports of sugar continue on a large scale. Last year we imported 1,723,113 cwt., the declared value of which was just 22 million rupees. Of this the quantity re-exported represented a value of 2,676,000 rupees, so that India imported sugar to the value of more than 19 million rupees for consumption in the country. It comes from all parts now, chiefly from Mauritius, but cargoes were received from China, the Straits, Ceylon, England, Germany, France, Belgium, and Austria. Yet India produces sugar in abundance and refines it in abundance and exports large quantities (last year about 1,420,000 cwt., value for 9,200,000 rupees). The exports are mostly from Madras. They consist in the bulk of unrefined sugar whereas the imports into Bombay are mainly refined sugar. Is there any sufficient reason why Madras or Bengal or Northern India should not supply the requirements of Bombay in refined sugar?

Sugar.

Why should we import any refined sugar from the United Kingdom into Bombay when we export refined sugar to the United Kingdom from Bengal and Madras? Why also should we export sugar to Ceylon from those Presidencies and receive sugar from Ceylon into Bombay? It would be interesting to learn the causes of these features of the sugar trade in India. If they were known and discussed they would perhaps disappear and India cease to be an importer of an article which she produces in abundance herself.

Tea. The conditions under which an extensive import of tea is carried on are not dissimilar to those under which sugar is imported. We produce tea and export it in large quantities, and we import considerable quantities of which a portion is re-exported, the rest being consumed in the country. Last year we imported about 5,383,000 lbs., value for Rs. 3,637,000, a larger quantity than has ever been imported before. It came from China, the Straits, Ceylon, and Java, and some of it was re-exported (1,849,429 lbs.) by sea, mainly to Persia. Some portion also was re-exported by land to Afghanistan. The rest was consumed in the country.

III.—Metals, manufactured and unmanufactured, including machinery and millwork and railway material :

*Value in Rs.
(000's omitted).*

85,532
83,611
107,848
99,663
110,589

Copper and zinc. The most prominent feature of the year's trade in this group was the prompt return of activity in the importation of copper following on the fall of price which ensued on the collapse of the "corner" established by the *Société des métaux*. As soon as prices were raised abnormally by the operations of that ring, importations fell off and indeed were almost completely suspended: as soon as prices fell importations recommenced on a large scale. The following are the quantities imported in each of the last five years:

Cwt.

1885-86 . . 652,973
1886-87 . . 615,049
1887-88 . . 532,635
1888-89 . . 98,490
1889-90 . . 568,915

The demand was even smaller than would seem from the imports of 1888-89, for in the previous year India had re-exported, to take advantage of the rise in price, the unusually large quantity of 47,000 cwt. Zinc followed much the same course as copper, in conjunction with which it is used in India.

Iron and steel. In the same way, though not to anything like the same extent, the recent rise in prices has caused a restriction of consumption of iron and steel, apparent mainly in bars, nails and screws, beams, pillars, girders, and bridgework. The total imports of iron have been as follows, shewing a reduction of 16 per cent

in the last two years in iron. Of steel the imports were 14 per cent less than in the preceding year :

Iron. Cwt.	Steel. Cwt.
3,493,179	278,788
3,280,389	349,317
4,321,587	420,927
4,002,793	542,388
3,608,405	468,396

The continued development of manufacturing industry in India is attested by the large and rapid increase in the imports of *Machinery and Millwork*. The imports of 1888-89 were at an exceptionally high figure (Rs 23,169,000) but were exceeded by those of last year (Rs 24,354,000). The importation of *Railway material* on the other hand was a good deal smaller than in either of the two previous years.

IV.—*Chemicals, drugs, medicines, narcotics, and dyeing and tanning materials :*

Value in Rs. (000's omitted).
8,155
9,428
10,063
11,958
12,803

The increase in this head is largely due to the ever extending use of aniline and alizarine dyes by native dyers. The imports of these dyes during the year amounted to about 57,682,000 ounces, being nearly five million ounces in excess of the imports of the preceding year. The employment of these dyes has caused the imports of madder (or manjit) from Persia and Kabul to fall to such a low level that the trade would seem to be on the point of extinction. In 1886-87, 19,125 cwt. of madder were imported chiefly from Persia: last year only 2,646 cwt. Cochineal remains stationary, but this material is used more in the colouring of confectionery than of textile fabrics. Saffron also increases slowly, but this article is used almost exclusively in food and Hindu religious ceremonies.

The bulk of the aniline and alizarine dyes (over 53 million ounces) is imported into Bombay and Sindh.

V.—*Oils :*

Value in Rs. (000's omitted).
9,611
14,084
14,868
20,728
26,452

The very great increase under this head results from the rapidly extending consumption of mineral oil as an illuminant in India. The importations of mineral oil have been during the last five years :

Gallons (000's omitted).	Rs. (000's omitted).
21,312	8,518
31,950	12,600
31,422	12,745
39,952	18,613
53,390	24,788

The bulk of the oil is kerosene, only about $1\frac{1}{2}$ million gallons being other mineral oil used for batching jute and lubricating machinery.

Russian oil, of which not a gallon was imported before 1886, has taken a firm hold of the market, as will be seen from the subjoined figures shewing the imports in each of the last five years from the United States and Russia in Asia, the two countries whence most of the imported mineral oil is received :

	United States. Gallons (ooo's omitted).	Russia in Asia. Gallons (ooo's omitted).
1885-86 .	20,229	None.
1886-87 .	29,145	1,577
1887-88 .	25,040	5,036
1888-89 .	20,654	17,516
1889-90 .	35,882	15,962

The enormous increase in the imports from the United States during the year would seem to have been mainly speculative and to have been designed to rush Russian oil out of the market. Russian oil has, however, come into use far more largely at Bombay than at Calcutta, the imports into Bombay last year having been about $10\frac{3}{4}$ million gallons while Calcutta imported only about 1,600,000 gallons, this being half the quantity imported in 1888-89. This decline in the imports into Calcutta has been attributed to a prejudice created against the oil in the beginning owing to the quality not being satisfactory. But the oil is freely used in the Western Presidency and in Northern India, and no prejudice against it has ever existed there. It seems more likely that it is not a question of lack of demand in Calcutta, but of convenience of a market. For the steamers which bring the oil to India, Bombay is a more convenient port than Calcutta in which to obtain return cargoes of the merchandise which Russia takes from us in greatest bulk, namely, cotton and seeds.

Reference was made last year to the various uses to which people in India are putting the tinned-iron cans in which kerosene oil is imported. The potter and brazier must have some cause to regret that the people are not as conservative in the matter of receptacles for storage and packages for transport as they are in some other respects.

The imports of other kinds of oils are relatively unimportant. The only noticeable fluctuation during the year was that Burma, which received a considerable quantity of earthnut oil from the Straits in 1888-89, preferred to get it from Pondichery last year, the cost being cheaper.

VI.—Raw materials and unmanufactured articles :

Value in Rs.
(ooo's omitted).

32,519

31,491

39,440

41,157

37,252

Coal is the only article of any particular importance in this group, and its importance tends to diminish as the output of Indian coal fields increases. *Coal.*

The importations of the last five years are :

Tons.
790,930
765,668
848,878
833,478
601,670

The imports into Bombay have fallen materially, the Great Indian Peninsula Railway Company having adopted the use of Indian coal to a considerable extent. The Bengal-Nagpur, Indian Midland, and Rajputana-Malwa lines also now consume Indian coal more or less largely. In Burma the rice mills have for some time past been using rice husks for fuel and the timber mills sawdust. Burma also obtained over 55,000 tons of Bengal coal from Calcutta in the year. These facts tend to account for some of the decline in the imports of coal :

	1888-89.	1889-90.
	Tons.	Tons.
Bombay .	642,762	435,755
Sindh .	46,596	32,279
Burma .	77,878	47,800

But the imports of the two preceding years had been heavy and high prices and high freights prevailed. Though there is no indication of it yet, the present year may see a recovery, especially if rates of exchange keep high. The extinction of the import trade in coal is, however, only a question of time and of greater facility and cheapness of transport in India.

Cotton is the article next in importance in this group. Imports last year amounted to the comparatively large figure of 116,000 cwt., mainly from Persia and the Mekran Coast, and practically all brought to Bombay. The Customs authorities at Bombay say : "Persian cotton is white in appearance, but the fibre is poor, and it does not fetch so high a price as cotton grown on this side of India. It is freely used for mixing with superior descriptions and the admixture is then offered for sale as the produce of certain districts in India." *Cotton.*

Ivory is next in importance to Cotton, but more than half of it is reshipped to London. Out of 2,687,000 lbs. imported from Zanzibar and the East African Coast in the last five years, 1,590,000 lbs. have been reshipped. It is probable that the exploitation of Eastern Africa will be followed in due course by direct transit for this article to Europe, so far as it is not required in India for manufacture into bangles, combs, and the other forms in which it is used. The average consumption for India in the last five years would appear to be about 219,000 lbs. annually. Wool, which is imported, like cotton, from Persia and the Mekran Coast, is all reshipped to England, with a considerable quantity of other foreign wool brought to Karáchi by land from across the border. Silk, from China and the Straits, is brought to Bombay and Burma for local manufacture : the quantity imported last year was 2,360,467 lbs. *Ivory, wool, silk.*

VII.—Articles manufactured and partly manufactured :

Value in Rs.
(ooo's omitted).

321,210
377,492
374,097
414,553
397,430

*Cotton goods.
and yarn.*

This important group constitutes about 60 per cent of the aggregate imports of merchandise. The trade of the year fell away by about 4 per cent, but the preceding year's trade was exceptionally large. The fall was due to a restriction in imports of cotton goods and yarn, both of which had been dealt in in a very active way in the previous year. The decrease in the recorded values of cotton goods was 5 per cent, and in twist and yarn 7 per cent. The imports of yarns have been as follow in the last seven years (ooo's omitted in quantities and values):

	lbs.	Rs.
1883-84 .	45,379	34,659
1884-85 .	45,800	33,604
1885-86 .	45,915	31,721
1886-87 .	49,014	33,184
1887-88 .	51,542	35,819
1888-89 .	52,587	37,468
1889-90 .	46,382	34,825

The imports of each province (in lbs., ooo's omitted) are shewn below for the last three years :

	1887-88.	1888-89.	1889-90.
Bengal .	15,453	15,056	11,296
Bombay .	15,374	15,005	13,549
Sindh .	1,676	2,683	2,040
Madras .	13,758	15,813	13,694
Burma .	5,281	4,029	5,803

The decline has been general, except in Burma, being heaviest in Bengal, where, it would seem, the transfer of part of the trade in yarn and woven goods to Bombay and Karáchi is beginning to be visible in respect of white and coloured goods. The supply of goods to marts north of Cawnpore can now be made by the Indian Midland and the Bombay-Baroda lines with greater convenience from Bombay than from Calcutta, and increasing exports from Karáchi naturally bring about increasing imports to a port which is convenient as a distributing centre for a considerable region of North-Western India. The following are the quantities imported into each of the three provinces in the last five years in yards (ooo's omitted) :

	1885-86.	1886-87.	1887-88.	1888-89.	1889-90.
<i>Grey goods—</i>					
Bengal .	653,189	816,045	756,309	830,824	761,190
Bombay .	339,776	365,916	300,032	327,665	326,475
Sindh .	42,199	68,226	50,006	89,927	71,912
<i>White goods—</i>					
Bengal .	132,531	187,338	152,305	180,868	141,083
Bombay .	116,493	159,413	119,794	177,352	139,023
Sindh .	3,814	15,668	5,648	19,517	24,222
<i>Coloured goods—</i>					
Bengal .	153,331	187,209	124,628	143,689	137,030
Bombay .	148,906	154,064	134,957	150,665	160,055
Sindh .	9,693	19,163	18,989	25,318	42,281

In *Cotton piece goods* of all sorts—grey, white, and coloured—the trade has been as follows:

	(000's omitted).	
	Yards.	Rupees.
1882-83 .	1,640,595	209,568
1883-84 .	1,721,852	211,654
1884-85 .	1,731,565	206,951
1885-86 .	1,740,814	205,967
1886-87 .	2,155,419	253,558
1887-88 .	1,839,742	233,172
1888-89 .	2,126,248	271,601
1889-90 .	1,997,049	257,996

The imports of each description last year were (yards, 000's omitted):

Grey .	1,257,001
White .	339,098
Coloured .	400,949

The total value of all Cotton manufactures (excluding Twist and Yarn) during the five years is:

Rs.
(000's omitted).
211,105
258,465
239,245
277,645
263,914

The practical monopoly which England possesses of this great trade (amounting to about 45 per cent of the whole import trade) is illustrated in the figures for the year. The total imports of cotton yarn and woven goods from all countries amounted to Rs. 298,740,000, the value of imports from the United Kingdom representing about Rs. 294,086,000, or say 98½ per cent of the gross total.

In silk piece goods there was a fair increase in the year; in woollen piece goods there was a decrease, though shawls were imported in much larger number *Silks and woollens.* (901,000). Shawls are very popular with the male population of Bengal into which province more than four-fifths of the imports are brought. They are not creditable to the artistic sense of the Bengalis, being generally violently coloured and figured, but they are cheap, the average valuation standing at between 2½ and 2¾ rupees for each.

Woollen piece goods are also largely used in Bengal by the well-to-do classes, but that province does not consume silk goods to any extent. The imported silks are mainly used by Europeans, the small use made by natives of silk being limited, speaking generally, to *sáris* of native silks worn by women. The case is different in Bombay and Burma where silks are largely worn by men and women alike. The distribution of imported silks (which we get mainly from

England, France, and China) is therefore chiefly confined to these two provinces, as the following figures of last year's trade will shew :

	Silk piece goods.	Goods of silk mixed with other materials.
	<i>Yards.</i>	<i>Yards.</i>
Bombay . . .	5,497,872	3,404,869
Burma . . .	5,231,808	3,868
Bengal . . .	658,599	555,485
Sindh and Madras	37,889	14,727

The Burman, it will be observed, is very particular about the silk he or she wears and insists on having pure silk.

Apparel. The imports of Apparel (including boots and shoes) and millinery steadily increase. Their value has in five years advanced from Rs10,372,000 to nearly 13 millions, an increase of about 25 per cent. The actual value however is really larger, for a large proportion of the articles imported by post (value Rs2,362,000), of which no specification is given in the trade accounts, consists of Apparel.

Other manufactured goods. Of the other articles enumerated in this group the following are the most important. The value of the trade in each of the last three years is here specified in rupees (000's omitted) :

	1887-88.	1888-89.	1889-90.
Arms and ammunition . . .	1,318	1,998	1,916
Books and printed matter . . .	1,817	2,141	2,150
Building materials . . .	1,166	1,632	1,792
Cabinet-ware and furniture . . .	897	1,006	994
Candles . . .	979	780	1,359
Clocks and watches . . .	1,184	1,007	1,045
Corals, real . . .	1,602	1,418	1,402
Earthenware and porcelain . . .	2,236	2,248	2,239
Glass and glassware . . .	5,789	6,580	6,471
Instruments and apparatus :			
Musical . . .	781	915	856
Scientific . . .	805	921	999
Jewellery and plate . . .	969	1,163	837
Leather and leather goods, exclud-			
ing boots and shoes . . .	1,497	1,669	1,848
Matches . . .	2,435	1,945	2,394
Paints and colours, and painters'			
materials . . .	2,653	3,079	2,674
Paper and pasteboard . . .	4,183	4,105	4,075
Ships, parts of . . .	1,959	1,891	673
Soap . . .	949	1,023	1,114
Stationery . . .	2,191	2,238	2,321
Toys and requisites for games . . .	1,395	1,580	1,359
Umbrellas . . .	3,713	4,106	3,141

The considerable increase in *Arms and ammunition* is due to the transfer to that head of Dynamite and other explosives, which were until last year classed under chemicals. The value of these articles was Rs839,784. Excluding them the trade in arms has materially declined in value.

There has been a great decline in the importation of *parts of ships*. This is due to a fall in the imports into Burma from ₹1,392,535 to ₹85,442, the Irrawaddy Flotilla Company having imported in the two preceding years practically all they needed to establish steamers on the rivers of Upper Burma. This province and Bengal are the only importers on any extensive scale of these materials.

The very large increase in *Candles* arose to some extent out of the efforts of Belgium and Germany to secure this trade, Belgium especially shipping to India about three times as much as in the preceding year.

The fluctuations in the other articles mentioned do not call for remark.

The list appended states in the order of their importance the principal articles of merchandise imported into India :

	Rs. (000's omitted).
Cotton goods and yarn .	298,739
Metals, including hardware and cutlery .	68,022
Silk, raw and manufactured .	28,451
Oils .	26,452
Machinery and millwork	24,354
Sugar .	22,000
Railway material .	18,213
Provisions .	15,966
Liquors .	14,651
Woollen goods .	14,552
Coal .	13,086
Apparel .	12,964
Chemicals, drugs and medicines, dyes, &c. .	12,803
Salt .	8,945
Spices .	8,523
Glass and glassware .	6,471
Paper .	4,075
All other articles .	67,334
TOTAL .	665,601

The two first items comprise more than half (55 per cent) of the whole value of imports.

Of this gross total value nearly 93 per cent represented goods not subject to duty, dutiable goods representing only 7·3 per cent of the total import value.

Re-export Trade.

The figures of the trade for the last seven years are as follows :

Rs.
(000's omitted).

30,356
28,873
30,931
35,197
41,014
43,354
42,958

Like the import trade this trade was slightly smaller last year than in the year preceding.

The following are the main items of the re-export trade, with their values in rupees (000's omitted) :

	1888-89.	1889-90.
<i>Articles of Food and Drink :</i>		
Provisions	1,261	1,376
Spices	1,744	1,168
Sugar (refined)	2,007	2,676
Tea	2,058	1,678
<i>Metals and Metalware :</i>		
Hardware and cutlery	449	475
Copper	377	836
Iron	819	1,057
<i>Chemicals, Drugs, &c.</i>	553	579
<i>Raw materials :</i>		
Gums and resins	1,094	736
Ivory (unmanufactured)	2,092	1,255
Silk	427	339
Wool	6,195	6,935
<i>Manufactured Goods :</i>		
Cotton twist and yarn	1,115	914
Cotton manufactures, piece goods, &c.	17,052	17,283
Silk manufactures	644	577
Woollen manufactures	774	503
Apparel	913	1,034
Glassware	371	320

In 1888-89 Bombay and Sindh had about 95 per cent of this trade ; last year they had nearly the same proportion, 94½ per cent, a large proportion of the trade being conducted with the East Coast of Africa and Asiatic countries lying east of Suez and west of Bombay.

The countries with which the trade is chiefly carried on are stated below. Values are given in rupees, 000's omitted:

	1888-89.	1889-90.
United Kingdom	12,224	11,787
Persia	11,291	12,256
Straits	3,001	2,718
East Coast of Africa, Zanzibar, and Mozambique	2,781	3,725
Arabia	3,062	2,222
Turkish Arabia	2,775	2,534
Aden	1,874	1,320
China	1,265	1,352
Ceylon	1,234	1,190
Mauritius	1,121	1,109
United States	238	324

There was nothing special in the fluctuations of trade in the year to call for remark.

Exports of Indian produce and manufacture.

The figures for the last ten years are as follow:

	Rs. (000's omitted).	Increase or decrease per cent.
1880-81	719,741	+ 10.8
1881-82	792,552	+ 10.1
1882-83	805,981	+ 1.7
1883-84	850,857	+ 5.5
1884-85	803,132	— 5.6
1885-86	807,347	+ 0.5
1886-87	849,090	+ 5.2
1887-88	863,700	+ 1.7
1888-89	926,427	+ 7.2
1889-90	991,010	+ 6.97

The actual increase in the year was $64\frac{1}{2}$ million rupees, the rate of increase being nearly 7 per cent or just below the rate of increase in the preceding year. The average annual rate of increase in the decade was about 3.8 per cent.

The increase of the year was in the main the result of a greatly augmented value of Seeds, Jute, and Cotton. In the case of Seeds and Jute the increase was due to higher prices, for the quantity of jute shipped was actually smaller than in the preceding year and that of seeds but very slightly larger.

The first of the groups in which the exports are classified (Animals, living) requires no notice. It is a trifling trade (value Rs. 981,000), conducted mainly with Ceylon and the Straits, which has in it no promise of development. *Animals.*

II.—Articles of Food and Drink:

Value in Rs. (000's omitted).
247,128
258,734
238,297
248,419
253,541

This group is about one-fourth of the whole exports.

Coffee.

As was anticipated in reviewing the trade for 1888-89 the large exports of that year were not continued, the quantity shipped having fallen materially. The exports were:

	Cwt.	Rs. (000's omitted).
1888-89 .	365,299	18,842
1889-90 .	239,795	14,899

The stimulus given by a continued range of high prices in the European markets—in great degree speculative—was counteracted by a poor crop. The prices in London in January and June since 1886 have been in shillings per cwt.:

	January.	June.
1886 .	54/6	57/6
1887 .	78/6	91/0
1888 .	72/6	72/0
1889 .	89/0	88/6
1890 .	99/0	97/0

Rice not in the husk.

The trade was much better than in the preceding year, exports from Burma having greatly increased with large available supplies. From Bengal on the other hand exports were again smaller than in the previous year, prices, under the influence of deficient harvests, having reached a level that made trade difficult when prices in Europe did not respond. A glance at the quantities exported in the last ten years, as given below, shews that this trade does not make much progress. It is in fact, as has often been remarked before, no longer practically an Indian monopoly but, rather, subject to very keen competition.

Exports of Rice (husked) in cwt. (000's omitted).

	Burma.	Bengal.	Madras.	Bombay.	Sindh.	Total for India.	Value Rs. (000's omitted).
1880-81 .	16,730	6,717	2,363	927	32	26,769	89,717
1881-82 .	18,690	7,617	1,549	614	49	28,519	82,496
1882-83 .	21,249	7,838	1,319	552	71	31,029	84,401
1883-84 .	16,994	7,394	1,843	521	80	26,832	83,289
1884-85 .	13,507	6,035	1,403	677	80	21,702	71,228
1885-86 .	19,084	6,879	1,181	521	149	27,814	91,672
1886-87 .	18,216	5,902	1,564	639	139	26,460	87,648
1887-88 .	17,879	7,996	1,438	764	72	28,149	92,251
1888-89 .	14,205	6,417	1,538	589	19	22,768	78,453
1889-90 .	18,259	5,992	1,654	799	70	26,774	100,473

From Siam and Cochin-China alone the exports of rice are not much less than half those of all India. Then there is the rice from Japan and Italy, and we must also reckon with the competition of other grains which compete with Indian rice for distillation.

The countries to which Indian rice was exported last year are these:

	Cwt. (000's omitted).
<i>Europe:</i>	
United Kingdom .	5,177
Malta	953
France	207
Egypt	7,398
Germany	176
Other countries .	66
TOTAL	13,977

Asia :

Ceylon	3,269
Straits	3,916
Arabia and Aden	1,191
Persia and other countries	346
TOTAL	<u>8,722</u>

Africa :

Mauritius, Réunion, and Eastern Coast	2,014
Other countries	256
TOTAL	<u>2,270</u>

America :

West Indies	269
South America	1,426
Canada	53
TOTAL	<u>1,748</u>

<i>Australia</i>	56
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Thus we have 52 per cent for Europe and $32\frac{1}{2}$ per cent for Asia, leaving about 15 per cent for the coolies of Mauritius and Réunion, the West Indies and South America, and for Australia. The European demand was slightly smaller last year than in either of the two preceding years when it was equal to 55 and 53 per cent of the whole respectively. It is possible that the present year may again shew a slightly smaller relative demand for Europe in consequence of the Italian Government having raised the duty on rough (cargo) rice closer to the level of the duty on cleaned rice and thus interfered with an active re-export trade carried on by Italian millers with great profit from State bounties.

It is practically almost impossible to ascertain the ultimate destination of great part of our rice in Europe. It will be observed that of the total quantity assigned to Europe in the foregoing table, say 14 million cwt., nearly $8\frac{1}{2}$ million cwt. are placed against Egypt and Malta. In the first of these cases the rice is shipped to Port Said for orders to be received there by the shipmaster as to port of destination ; in the second case the rice is stored for reshipment to other Mediterranean ports. The system obscures the effects which changes of fiscal legislation in Italy, Turkey, Austria, the States lying between Turkey and Russia, or in other countries, may have upon the direction and extent of our rice trade with Europe.

The exports of the last seven years have been, in cwt. and rupees (ooo's omitted in both cases) :

	Cwt.	Rs.
1883-84	20,956	88,775
1884-85	15,831	63,091
1885-86	21,060	80,023
1886-87	22,263	86,258
1887-88	13,538	55,624
1888-89	17,610	75,227
1889-90	13,799	57,914

Wheat.

The value of the wheat trade in the year was thus but little more than half the value of the rice trade.

The principal countries to which India has exported wheat in the same period are (in cwt., 000's omitted) :

	1883-84.	1884-85.	1885-86.	1886-87.	1887-88.	1888-89.	1889-90.
United Kingdom	10,508	7,445	12,071	9,667	6,040	9,038	7,686
Belgium . . .	2,593	1,738	2,661	2,404	596	2,478	2,329
France . . .	3,398	3,312	2,145	2,803	2,559	3,131	1,250
Italy . . .	445	701	1,218	5,212	3,074	1,125	403
Egypt . . .	3,306	2,149	2,296	1,317	660	1,658	1,654
Other countries .	706	486	669	860	609	180	477

The table appended shews the exports from the provinces in each of the last seven years (in cwt., 000's omitted) :

	1883-84.	1884-85.	1885-86.	1886-87.	1887-88.	1888-89.	1889-90.
Bombay . . .	8,971	8,993	10,609	12,606	8,541	10,654	5,147
Sindh . . .	4,373	4,272	6,241	2,614	661	4,064	7,100
Bengal . . .	7,611	2,563	4,190	7,038	4,335	2,951	1,551

The exports from Karáchi were larger and those from Bombay and Calcutta smaller than they have ever been since the development of the trade. It is doubtful whether Calcutta will in future export as much wheat as in 1883. The great wheat producing tracts have now by the completion of the Indian Midland Railway come within the zone of Bombay, and the exportable wheat of the North-Western Provinces (west of Cawnpore), of Oudh, the Punjab and Central India will doubtless be shipped from Bombay and Karáchi whence homeward freight is much lower than from Calcutta.

The decline in the trade of the year was due entirely to insufficient crops in the tracts whence Calcutta and Bombay draw their supplies. In the Punjab and Sindh the harvests were abundant and consequently from Karáchi was shipped more than from all the rest of India put together.

The total value of the exports of grain and pulse in the year was $\text{Rs } 165,282,000$ —say about $165\frac{1}{4}$ millions of rupees. The bulk of this sum (about $158\frac{1}{2}$ millions) was the value of rice and wheat, other kinds of grain and pulse standing for only about $6\frac{3}{4}$ millions of rupees, thus :

Rs. (000's omitted).	
Paddy (unhusked rice),	631
Gram	1,165
Oats	427
Pulse	1,202
Jawári and bájra .	3,138
Barley	99
Other sorts	232

Jawári and bájra are the only grains amongst these that have at all materially increased during the last five years. These two grains are shipped to Arabia, Aden, Abyssinia (Suakim), Egypt, and the Mekran Coast, from Bombay and Karáchi. Pulse (dál) goes to England in some small quantity, but mainly to Mauritius, South America, Ceylon, and the Straits, for the consumption of Indian coolies with their rice.

Gram and oats go mainly to Mauritius.

This trade is of quite recent creation and it may therefore be of interest to follow its progress since its development a few years ago. The exports have been (lbs. and rupees, 000's omitted in both cases) : *Flour.*

	lbs.	Rs.
1880-81 .	4,147	293
1881-82 .	5,107	329
1882-83 .	6,816	412
1883-84 .	7,891	459
1884-85 .	11,057	593
1885-86 .	18,879	972
1886-87 .	35,744	1,848
1887-88 .	36,082	1,975
1888-89 .	36,290	2,079
1889-90 .	48,572	2,838

The hope was expressed in reviewing the trade of 1888-89 that the export of flour had not reached its utmost limit of expansion. The hope was evidently well founded, for the quantity exported in that year was exceeded by a third last year.

This is almost exclusively a Bombay trade, more than 48 million pounds having been shipped from that port where the flour is made in steam mills according to European methods, Persian wheat being employed to a large extent as being cheaper than Indian wheat. But little goes to Europe as yet, only about 330,000 lbs. having been shipped to Belgium last year, but in course of time Indian flour should take its place with American flour in the English market. The bulk of the exports last year was directed as follows :

	lbs. (000's omitted).
Aden .	12,081
Arabia .	11,170
Mauritius .	8,173
Ceylon .	6,252
Natal .	2,900
Abyssinia .	2,451
Zanzibar .	1,941
Straits .	1,296
Egypt .	1,081

There was a considerable revival in the trade in Sugar last year, due probably to the remarkable fluctuations in price in Europe during the year which led to much speculation. But the exports are still far below the point they reached several years ago before the extension of the beetroot sugar industry in Europe, fostered by bounties, brought prices down to a ruinous level. The exports shew as follow : *Sugar.*

	Refined. Cwt.	Raw. Cwt.
1883-84 .	203,693	1,426,827
1884-85 .	55,323	1,015,596
1885-86 .	24,942	1,142,598
1886-87 .	33,340	953,066
1887-88 .	37,723	1,008,565
1888-89 .	34,523	978,955
1889-90 .	111,323	1,309,321

Bengal now regularly imports far more sugar than it exports. Most of the exports are from Madras. Bombay, as has been said in a previous page of this review, imports extensively.

Tea.

The exports continue on a large scale, but there was a heavy fall of prices in the year :

	lbs. (ooo's omitted).	Rs. (ooo's omitted).
1883-84	59,912	40,839
1884-85	64,162	40,447
1885-86	68,784	43,061
1886-87	78,703	47,280
1887-88	87,514	51,744
1888-89	97,011	52,673
1889-90	103,760	52,776

The average price realised at the auction sales in Calcutta during the last two years were as follow, in annas and pie per pound :

	1888-89.	1889-90.
Orange (and broken orange) Pekoe	12-4	11-8
Broken Pekoe	10-3	9-9
Pekoe	8-1	7-5
Pekoe Souchong	6-3	5-7
Broken ditto	5-10	5-0
Pekoe Fannings	6-6	5-7
Other low class	4-11	4-8

The London market, as usual, absorbed the bulk of the exports, which were thus distributed (in lbs., ooo's omitted) :

	1887-88.	1888-89.	1889-90.
United Kingdom	84,182	93,222	98,731
Australia	2,472	2,880	3,419
Persian Gulf	324	467	1,200
United States	54	155	103
Canada	...	14	85

It is satisfactory to see the increase in the exports to Persia and the neighbouring countries. This increase to a large extent means a diversion of trade from Afghanistan, the extortionate dues charged in that country on tea from India in transit to countries beyond making the continuance of that route unprofitable. Hitherto the tea sent from India to Persia has been most largely foreign tea, from China and Java. Although the exports of such tea are still larger than those of Indian tea (1,673,000 lbs. were exported in the year), it would seem that it has lost the monopoly it possessed.

While the imports of Indian tea into England continue to increase, those of Chinese tea continue to diminish. The following are the imports from India and China into England in the last six years (quantity stated in lbs., ooo's omitted) :

	From India.	From China.
1884	63,208	143,771
1885	64,382	139,673
1886	73,467	145,308
1887	84,645	119,799
1888	89,874	105,735
1889	95,384	88,558

At last therefore England is taking more (and materially more) of Indian than of Chinese tea. An incident of interest to the tea trade was the reduction of the English import duty at the end of the year from sixpence to fourpence a pound.

The third group (Metals) is quite unimportant, and we pass at once to—

IV.—Chemicals, Drugs, Medicines, Narcotics ; Dyeing and Tanning Materials :

Value in Rs.
(000's omitted).

155,156

157,410

151,079

155,855

149,908

The decline in this group is due to lesser exports of Opium and Cutch and, to a smaller extent, of Chinchona Bark.

The exports were :

Opium.

	Chests.	Rs. (000's omitted).
1882-83 .	91,798	114,813
1883-84 .	91,963	112,944
1884-85 .	86,578	108,826
1885-86 .	87,956	107,355
1886-87 .	95,839	110,777
1887-88 .	90,096	100,677
1888-89 .	87,789	105,081
1889-90 .	85,166	101,159

The average price of 1886-87 (Rs. 1,155 a chest) was $7\frac{1}{2}$ per cent lower than five years ago (Rs. 1,250 a chest), and in 1887-88 it was lower still (Rs. 1,117 a chest). In 1888-89 the average value rose to Rs. 1,197 a chest, but fell again last year to Rs. 1,188.

The exports were thus distributed :

	1887-88. Chests.	1888-89. Chests.	1889-90. Chests.
China—Hong-Kong	59,508	56,166	54,272
„ —Treaty Ports	17,307	16,725	15,830
Straits . . .	12,368	13,995	13,749
Cochin-China .	670	725	1,050
Other countries .	234	178	265

Exports have reached a lower level than has yet been known, and the last was the fourth year of a continuous decline. The competition of Chinese-grown opium is making itself visible.

As was remarked in the review of the trade of 1888-89, “this is one of those long established trades of India, like Opium and Silk, which give no indication of progress.” The exports of the last eight years were as follow :

Indigo.

Cwt.	Rs. (000's omitted).
141,041	39,130
168,590	46,410
154,629	40,689
132,495	37,831
138,396	36,917
139,644	38,906
142,447	39,486
157,116	38,631

The high prices of 1888-89 were not maintained, and indeed they fell to a very low point. From Bengal were exported about 92,000 cwt. and from Madras about 54,000 cwt. Exports from Madras have sensibly increased in the last few years.

Cutch and *Myrabolams* are the only two other articles of importance in this group. The trade in Cutch declined owing, it is stated by the Chief Collector of Customs in Burma, to lack of supply not to a restricted demand. Exports of Myrabolams were very active.

V.—Oils :

Value in Rs.
(000's omitted).

3,956
4,588
4,710
4,303
5,439

This group is unimportant. *Castor oil* is exported to Australia and to England from Bengal and Madras, mainly as a lubricator. *Cocoanut oil* is exported to England, France, and the United States, from Madras, for employment in the preparation of perfumed oils for the hair, soaps, and candles. The exports of Castor oil increased in the year rather largely, but it is a business which fluctuates without progressing, and the same may be said of Cocoanut oil. Some day perhaps this group may become important, but not until India makes and exports oil from the seeds which are now exported for the purpose of oil making in such large quantities.

VI.—Raw Materials and Unmanufactured Articles :

Value in Rs.
(000's omitted).

312,395
333,667
356,001
385,099
442,919

This is the most important of all the groups in which the export trade is classified, the value of the articles comprised in it representing last year nearly 45 per cent of the aggregate trade.

The increase of 15 per cent (nearly 58 millions of rupees) in the value for the year arose out of a very largely augmented export of Cotton, combined with increased values of Seeds and Jute.

Cotton.

The exports of the last eight years have been as follow:

(000's omitted).		
	Cwt.	Rs.
1882-83	6,168	160,490
1883-84	5,979	143,837
1884-85	5,066	132,863
1885-86	4,190	107,772
1886-87	5,433	134,684
1887-88	5,374	144,128
1888-89	5,331	150,456
1889-90	6,320	186,684

The exports of the year reached a quite unusually high figure, in fact larger than the exports of any year since 1871 when the exports amounted to about $7\frac{1}{4}$ million cwt., and up to date they continue on a more extended scale than last year. But for this increase in the exports of cotton the trade of Bombay would have shewn a decline in the values of exports generally in the year. The exports of the last three years were made chiefly to the countries noted below:

	Cwt. (000's omitted).		
	1887-88.	1888-89.	1889-90.
United Kingdom .	2,140	1,776	2,166
Italy .	774	781	957
Austria .	688	755	741
Belgium .	676	873	941
France .	487	549	635
China .	202	139	125
Germany .	139	190	486
Russia .	134	150	94

The Continent in fact consumes about four-fifths of our exports, much of the cotton shipped to England being re-exported thither. So also about four-fifths of the exports are shipped from Bombay:

	1887-88.	1888-89.	1889-90.
Bombay .	3,929	4,198	4,819
Madras .	658	595	862
Bengal .	618	375	452
Sindh .	131	130	144
Burma .	37	32	42

It was about the most profitable as well as the largest cotton export year known.

The trade in Hides continues to decrease, and in Skins also there was a smaller trade. The numbers exported were: *Hides and Skins.*

	1885-86.	1886-87.	1887-88.	1888-89.	1889-90.
Hides .	8,607,724	8,493,384	6,817,653	6,606,142	6,454,895
Skins .	4,947,579	4,077,259	3,817,124	4,356,561	3,906,711

Exports in the last eight years:

Jute.

	(000's omitted).	
	Cwt.	Rs.
	10,349	58,469
	7,018	45,926
	8,369	46,613
	7,782	43,553
	8,307	48,698
	9,643	60,404
	10,553	78,971
	10,256	86,399

The slight decrease in quantity was accompanied by a very large increase in value, the declared export values of the last three years averaging:

	Rs.
1887-88 .	6.26 per cwt.
1888-89 .	7.5 „
1889-90 .	8.42 „

Prices in fact ruled very high in Calcutta for a considerable time, falling towards the end of the year, however, with a rising exchange and a higher range of freights.

The destination of the jute has been as follows (cwt., 000's omitted):

	1887-88.	1888-89.	1889-90.
United Kingdom	6,313	7,498	7,079
United States	2,331	1,682	1,804
Germany	351	684	652
France	54	161	233
Italy	266	184	223
Austria	183	203	110
Spain	124	104	113

From the United Kingdom a large proportion of the jute sent thither is re-exported mostly to the Continent as is the case with Indian cotton.

Manures.

Attention was drawn to the increasing dimensions of this trade in reviewing the trade for 1888-89, in which year 36,371 tons were shipped. Last year the exports were still larger, amounting to 45,673 tons, mainly bones. It appears that there has been quite a hunt for bones by export agents in every village adjacent to a railway line all over Northern India. If the collection has been exhaustive the trade cannot increase much further, but in the first three months of the present year we have already exported over 8,500 tons. It is instructive that, while Indian Agricultural Departments are discussing the uses and merits and the need of fertilisers, the Indian peasant is quietly selling for export to foreign parts every fragment of the best fertiliser he can find lying about the soil. They have been shipped to England, Belgium, Germany, the United States, Ceylon, and Mauritius, and their value represents a little under 2½ million rupees.

Seeds.

Exports of eight years:

(000's omitted).		
	Cwt.	Rs.
1882-83	13,139	72,003
1883-84	17,355	100,837
1884-85	18,251	107,452
1885-86	17,280	99,483
1886-87	15,866	91,985
1887-88	16,060	93,850
1888-89	15,570	95,617
1889-90	15,795	106,275

As with cotton and jute, so with seeds there was a considerable increase in values last year.

The trade in the principal kinds of oilseeds was as follows in the last five years in cwt. (000's omitted):

	1885-86.	1886-87.	1887-88.	1888-89.	1889-90.
Castor	670	611	764	586	895
Earthnuts	656	946	1,262	828	1,394
Linseed	9,510	8,657	8,423	8,461	7,147
Poppy	695	613	456	730	483
Rape	3,722	2,660	2,081	3,061	3,904
Til or jinjili	1,759	2,114	2,747	1,537	1,775

Cotton seed was specified separately in the returns for the financial year 1888-89 when the exports amounted to 135,582 cwt. Last year the exports amounted to about 38,000 cwt.

Of the total quantity of seeds exported, about $7\frac{3}{4}$ million cwt. were shipped from Bombay and Karáchi, and under $6\frac{1}{2}$ million from Calcutta.

Exports are as follow in lbs. (ooo's omitted):

Silk.

	<i>Reeled.</i>	<i>Chasam (waste).</i>	<i>Cocoons.</i>	<i>Total value in Rs. (ooo's omitted).</i>
1883-84	673	886	44	6,276
1884-85	531	953	83	4,638
1885-86	358	1,024	57	3,322
1886-87	449	1,020	114	4,843
1887-88	453	998	173	4,808
1888-89	433	1,314	374	5,187
1889-90	594	1,233	263	6,398

It will be observed that the export of reeled silk is non-progressive, while the exports of waste and cocoons have materially increased. There was a large increase in values last year.

Exports for the last eight years:

Teak timber.

	<i>Cubic tons.</i>	<i>Rs. (ooo's omitted).</i>
1883-84	59,187	6,112
1884-85	46,471	5,254
1885-86	47,556	5,321
1886-87	50,076	5,505
1887-88	23,946	2,231
1888-89	40,446	3,673
1889-90	52,609	5,753
1890-91	71,342	7,630

The cause of the increased export was stated in the review of the trade of 1887-88 in the following words: "With a revival in the shipbuilding trade in the autumn of 1887, there was a revived demand for teak, and the exports of the year were on a much larger scale, though still below the figures of previous years. The spurt has not yet died out in the shipbuilding yards, and the export of teak still continues to be rather active." Those remarks applied also to the trade of 1888-89 and may be held to apply to the year under review. Up to the time of writing in the present year, however, the trade has been conducted on a much more restricted scale.

The exports have been as follow:

Wool.

<i>(ooo's omitted).</i>	
<i>lbs.</i>	<i>Rs.</i>
20,036	7,558
18,928	7,136
23,149	8,723
23,208	8,995
23,877	9,723
21,961	9,687
23,870	10,856

the other articles comprised in this group it is only necessary to notice that there was some improvement in the Saltpetre trade and that about 40,000 tons of Bengal Coal and Coke were exported to Ceylon, Java, the Straits, and Zanzibar.

VII.—Articles manufactured and partly manufactured :

	Value in Rs. (ooo's omitted).
1883-84 .	78,545
1884-85 .	85,903
1885-86 .	87,246
1886-87 .	93,317
1887-88 .	111,720
1888-89 .	131,095
1889-90 .	137,589

In seven years the value of the trade in the articles comprised in this group has increased by 59 millions of rupees, being in the proportion of 75 per cent, and the increase has been continuous from year to year. This last year the increase has not been so large as in previous years, being under $6\frac{1}{2}$ millions or 5 per cent. The increase is due mainly to the still expanding trade in cotton yarn and to the active condition of the trade in jute goods.

The following figures indicate the relative proportions of each principal class of manufactures and the progress made in the seven years (rupees, ooo's omitted) :

	1883-84.	1889-90.	Increase or decrease per cent.
Cotton yarn and cloth	28,532	67,537	+ 136.7
Jute goods	13,341	27,912	+ 109.2
Silk goods	2,857	2,607	— 8.7
Woollen goods	1,207	1,258	+ 4.2
Tanned hides and skins	21,874	25,240	+ 15.4
Lac	5,550	4,885	— 12
Coir goods	1,372	2,352	+ 71.4
Apparel	670	1,133	+ 69.1

Cotton yarn.

The quantity of cotton yarn exported has increased 184 per cent in the last seven years, being at the rate of more than 26 per cent annually.

(ooo's omitted).	
lbs.	Rs.
49,876	19,262
65,897	24,411
78,242	27,552
91,804	33,368
113,451	40,774
128,907	52,071
141,950	57,487

The exports of cotton piece goods in the same period have been (in yards, ooo's omitted) :

55,564
47,908
51,528
53,360
69,434
70,244
59,462

The distribution of the exports in the last three years was as follows:

	Yarn, lbs. (000's omitted).			Piece goods, yards (000's omitted).		
	1887-88.	1888-89.	1889-90.	1887-88.	1888-89.	1889-90.
China . . .	92,571	101,248	114,151	4,483	14,617	1,436
Japan . . .	17,391	23,143	22,687	37	131	9
Aden . . .	1,354	1,327	1,759	20,756	15,445	14,810
Straits . . .	981	1,844	1,678	5,948	5,205	5,073
Asiatic Turkey . .	365	503	571	1,546	1,710	1,849
Java . . .	283	327	374	...	...	...
Arabia . . .	279	261	280	2,073	2,716	1,672
Persia . . .	79	139	152	789	1,160	1,183
East Coast of Africa	66	64	59	24,718	19,864	21,526
Ceylon . . .	32	26	75	6,931	5,945	5,725
Mekran and Sonmiani	...	...	...	1,268	1,211	1,464
Other countries . .	50	24	164	886	2,240	4,715

The progress of the spinning and weaving industry since 1876 is shewn in the table appended:

Year.	Number of mills.	Number of spindles.	Number of looms.
1876-77 .	47	1,100,112	9,139
1877-78 .	53	1,289,706	10,533
1878-79 .	58	1,436,464	12,983
1879-80 .	58	1,470,830	13,307
1880-81 .	58	1,471,730	13,283
1881-82 .	62	1,550,944	14,386
1882-83 .	62	1,654,108	15,116
1883-84 .	74	1,895,284	16,251
1884-85 .	81	2,037,055	16,455
1885-86 .	86	2,110,847	16,455
1886-87 .	94	2,261,561	17,455
1887-88 .	97	2,375,739	18,840
1888-89 .	108	2,670,022	22,156
1889-90 .	114	2,894,635	22,078

The mills are located as follows:

	Mills.	Spindles.	Looms.
Bombay Presidency . .	82	2,140,600	17,217
Bengal (suburbs of Calcutta)	7	239,536	...
Madras . . .	8	169,128	543
North-Western Provinces .	5	130,020	2,149
Central India (Indore)	1	26,036	464
Central Provinces . .	3	72,080	622
Hyderabad . . .	3	52,038	549
Mysore . . .	2	18,456	...
Pondichery . . .	2	26,741	534
Travancore . . .	1	20,000	...

Upwards of 98,000 persons are stated to have been employed in the mills at the end of 1889-90 and the capital invested is returned at 101 million of rupees, but several of the mills, private concerns, make no return of their capital, the figures being confined to mills worked by joint stock companies.

Value of the exports of manufactured jute in the last seven years has been (in lakhs of rupees, 000's omitted) :

1883-84 .	13,341	1886-87 .	11,518
1884-85 .	15,438	1887-88 .	17,463
1885-86 .	11,308	1888-89 .	25,715
1889-90 .	27,912		

The exports of gunny-bags and cloths in the last seven years have been as follows, the quantities being stated in numbers for bags and yards for cloth, 000's being omitted in both cases :

	Bags.	Cloth.
1883-84 .	63,646	7,049
1884-85 .	82,779	15,344
1885-86 .	63,760	20,154
1886-87 .	64,570	12,799
1887-88 .	74,367	13,683
1888-89 .	99,790	15,160
1889-90 .	97,416	37,144

The increase in the trade last year was entirely in cloths, not in bags, the result of a large demand for England and the United States.

The industry is practically concentrated in Lower Bengal and in the vicinity of Calcutta. The statistics of these Bengal mills are given as follows for the last ten years :

	Mills.	Spindles.	Looms.
1880-81 .	19	66,274	4,893
1881-82 .	19	87,071	5,464
1882-83 .	18	92,033	5,413
1883-84 .	21	108,802	5,919
1884-85 .	22	127,892	6,706
1885-86 .	23	125,578	6,612
1886-87 .	22	132,907	6,787
1887-88 .	23	143,566	7,255
1888-89 .	24	149,937	7,681
1889-90 .	25	159,219	8,163

The mills employ 60,449 persons, and the capital invested in them is, as far as is known, some of the mills being private concerns the owners of which decline to state their capital, about 31 millions of rupees.

Tanned Hides and Skins.

The exports of tanned hides and skins (mainly from Madras) in the last six years have been as follow, most of the exports being to England :

	Cwt.	Rs. (000's omitted).
1884-85 .	231,584	20,757
1885-86 .	274,566	23,422
1886-87 .	238,955	23,379
1887-88 .	272,449	25,266
1888-89 .	272,960	26,141
1889-90 .	260,716	25,240

Classing the exports in the order of their importance last year, the following values are stated in rupees (000's omitted) :

Cotton, raw	186,684
Grain and pulse	165,282
Seeds	106,275
Opium	101,159
Jute, raw	86,399
Cotton manufactures	67,537
Tea	52,776
Hides and skins	45,243
Indigo	38,631
Jute manufactures	27,912
Coffee	14,899
Wool, raw	10,856
Sugar	9,172
Timber and wood	8,701

Coasting Trade.

After having fallen continuously from 1884-85 to 1886-87, there was a substantial recovery in the trade of 1887-88, but it has not been maintained. The total trade, imports and exports, merchandise and treasure, was in the last seven years :

Rs. (000's omitted).

1883-84	614,616
1884-85	584,015
1885-86	575,983
1886-87	561,653
1887-88	607,386
1888-89	601,661
1889-90	592,110

The trade of 1888-89 was about one per cent under that of 1887-88; last year's trade was about $1\frac{1}{2}$ per cent less than that of 1888-89. In the coasting trade imports into one Indian port being exports from another, the actual value of the trade may be taken to be about the mean between the two, or either the import or export value may be taken to represent the actual value of the trade. Taking the export value, the trade of the last two years compares thus, in rupees (000's omitted) :

	1888-89.	1889-90.
Merchandise (Indian)	289,545	206,024
„ (foreign)	67,578	65,702
Treasure	18,372	16,515

The figures do not include Government stores or treasure, which last year were valued at about $28\frac{1}{2}$ millions of rupees, mainly treasure.

The trade is classed under three heads: (1) between ports in different Presidencies; (2) between ports in the same Presidency; (3) between British and non-British ports. The first of these is much the most important, the last is the

ent. The exports of merchandise in the last three years are thus (in rupees, 000's omitted) :

	1887-88.	1888-89.	1889-90.
To ports in other Presidencies .	154,222	149,587	145,910
To ports within the Presidency .	94,918	93,830	94,160
To non-British ports .	29,520	33,706	31,657

* The following table gives the totals of the trade in merchandise in each of the last five years for each province (in rupees, 000's omitted) :

	1885-86.	1886-87.	1887-88.	1888-89.	1889-90.
<i>Bengal :</i>					
Imports .	48,487	49,373	52,853	50,086	49,559
Exports .	60,716	68,366	79,378	72,028	70,278
<i>Bombay :</i>					
Imports .	110,603	110,938	128,709	128,602	126,274
Exports .	114,229	109,471	116,932	121,680	116,530
<i>Sindh :</i>					
Imports .	25,111	23,269	20,855	20,901	20,923
Exports .	11,400	11,025	15,074	15,072	15,035
<i>Madras :</i>					
Imports .	45,942	44,168	44,614	43,313	48,794
Exports .	42,435	41,569	44,458	46,944	46,043
<i>Burma :</i>					
Imports .	32,963	39,962	44,458	43,216	41,082
Exports .	22,726	21,050	22,818	21,399	23,840

There is a general decrease except in Madras and Burma. The increase in the trade between Bombay and Goa, to which attention was drawn last year, still continues. The value of the imports from Goa into Bombay increased during the year from about 8 millions of rupees to ₹11,358,000. The whole of the increase of the last three years in this trade is the creation of the railway line which connects Goa with the interior. The articles in which trade is conducted are cotton (value for 8 millions of rupees), wheat and seeds, and to a smaller extent betelnuts, jawári and bájra, and myrabolams.

The only other novel feature in the coasting trade is in the development of the export of coal from Bengal to Burma. The imports into Burma have been as follow :

	Tons.
1885-86 .	110
1886-87 .	675
1887-88 .	70
1888-89 .	15,671
1889-90 .	53,071

It will be a very satisfactory indication of progress if this trade should further increase. Hitherto the high cost of transit in Indian waters has prevented the export of Bengal coal by sea.

Coasting shipping.

The following table gives the number and registered tonnage of the vessels engaged in the coasting trade during the last five years (ooo's omitted in tonnage):

Entered.

	STEAMERS.		SAILING VESSELS.		NATIVE CRAFT.	
	No.	Tons.	No.	Tons.	No.	Tons.
1885-86	6,144	5,727	3,987	541	172,025	2,760
1886-87	6,807	6,325	2,879	326	175,865	2,899
1887-88	7,342	7,310	3,237	332	184,104	3,164
1888-89	7,316	7,246	3,241	245	185,659	3,089
1889-90	7,847	7,643	2,959	227	182,155	3,006

Cleared.

1885-86	6,127	5,679	3,992	506	156,694	2,613
1886-87	6,794	6,286	2,893	308	159,041	2,796
1887-88	7,308	7,238	3,301	314	166,928	2,955
1888-89	7,307	7,213	3,370	252	167,221	2,953
1889-90	7,844	7,617	3,066	233	165,673	2,881

There has been a large increase in this period in the number and tonnage of steamers, their average tonnage being also larger. Sailing vessels, other than native craft, are evidently being slowly thrust out of the coasting trade, while native craft appear to hold their own.

Trans-Frontier Trade.

The trade of the last five years was, in rupees (ooo's omitted) :

	Imports.	Exports.	Total.
1885-86 .	36,187	55,849	92,036
1886-87 .	37,723	56,505	94,228
1887-88 .	41,709	50,209	91,918
1888-89 .	42,261	46,967	89,228
1889-90 .	37,377	51,137	88,514

The trade has undergone therefore a continuous decline during the last four years, and, though the decrease last year was trifling, it is unsatisfactory that the figures of the year should be six per cent smaller than they were four years previously, with an uninterrupted decline each year. It will be observed that the decrease occurred in the import trade alone, our exports having increased materially. A portion of the decline in the imports of the year can, however, be accounted for without any reference to the condition of trade. In 1888-89 the Kashmir Darbár remitted a large sum of money to India, in connection with the construction of the Jamu railway line, and much less treasure was brought from the State last year. The difference accounts for nearly half of the whole decrease in the import trade. The remainder is accounted for by a heavy decline in the imports of teak brought down the Salween from Karenni and Zimmé. This, it is stated, was largely due to the haste of the traders to get down to the registering post at Kado before the end of March 1889 all the timber they possibly could in order to escape payment of the enhanced duty of 7 per cent which was levied with effect from the beginning of the year under review.

The figures of treasure are so entirely untrustworthy that it will be best to confine the review of this trade to articles of merchandise only.

The value of these for the last three years is as follows, in rupees (ooo's omitted) :

	Imports.	Exports.	Total.
1887-88 . .	37,126	47,780	84,906
1888-89 . .	37,154	44,801	81,955
1889-90 . .	35,053	49,305	84,358

Taking the imports and exports by countries, the following table gives the value of the trade carried on with each principal country (ooo's omitted) :

(Merchandise only).

	1887-88.		1888-89.		1889-90.	
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.
Lus Bela	474	285	442	242	328	291
Khelat	538	438	500	396	399	355
Sind-Peshin Railway (Southern Afghanistan)	2,662	20,779	3,455	19,344	2,997	17,640
Sewestan	434	672	521	689	640	754
Kabul	2,375	5,749	1,873	5,268	3,253	7,965
Bajaur	393	576	342	491	757	897
Kashmir	5,373	5,258	5,023	4,856	5,787	5,638
Ladakh	335	317	286	299	245	223
Thibet	732	503	904	462	1,014	401
Nepal	16,440	11,201	13,881	11,009	14,889	11,583
Karenni	3,471	324	5,226	197	762	349
Shan States	251	485	190	277	853	1,192
Zimmé	2,403	245	3,243	400	1,468	426
Siam	259	263	259	243	499	349

Of the countries mentioned above those with which the and exports, exceeds a million of rupees are the following (ooo's)

Sewestan .	1,394	Thibet .	1,415
Kabul .	11,218	Nepal .	26,472
Bajaur .	1,654	Karenni .	1,111
Kashmir .	11,425	Shan States .	2,045
Zimmé .	1,894		

The trade over the railway line that leads to Quetta is considerable, amounting to over 20½ millions last year, but such a material portion of it is internal trade that it cannot properly be taken into account here. Quite half the exports of the year consisted of railway material for the maintenance of the line and its extension, and the remainder consisted largely of supplies for Quetta and other settlements within the frontier. Of the imports also it is difficult to say how much really represents external trade. A proposal has recently been made to the local authorities to reorganise the system of registration in such manner that the returns will include only foreign trade, and it is hoped that the suggestion will be speedily carried into effect.

Kabul.

The trade of the last seven years has been as follows :

Imports.	Exports.	Total.
2,493	5,211	7,704
2,384	4,691	7,075
2,293	5,367	7,660
2,574	6,363	8,937
2,375	5,749	8,124
1,873	5,268	7,141
3,253	7,965	11,218

There was quite a revival of trade with Kabul, in both imports and exports. The only import that did not increase was madder (*manjit*). As remarked in the review of the sea-borne trade, the increasing use of alizarine dyes is driving madder out of the market.

Of the exports to Kabul the principal are cotton goods, indigo, sugar, and tea. The figures appended give the exports in the last four years of cotton goods (ooo's omitted in values) :

	European.		Indian.	
	Cwt.	Rs.	Cwt.	Rs.
1886-87 .	15,768	2,172	25,243	1,651
1887-88 .	19,260	2,709	19,967	1,283
1888-89 .	15,269	2,092	18,591	1,209
1889-90 .	25,169	3,803	26,013	1,911

The next important article, and indeed the only other one of real importance, is tea. The following figures shew the condition of this trade (ooo's omitted from rupees) :

	Foreign.		Indian.	
	Cwt.	Rs.	Cwt.	Rs.
1886-87 .	12,434	1,345	3,655	157
1887-88 .	6,529	701	2,180	129
1888-89 .	8,662	894	2,333	106
1889-90 .	8,424	880	2,655	165

The revival of trade with Kabul is attributed by the local authorities of the Punjab chiefly "to the cessation of disturbances in the dominions of the Amir of

...ance which accounts for the larger trade done with Kabul principal articles." The disturbances referred to are the Ghilzai and Turkistan troubles. The explanation is probably correct, for the trade Bokhara with Afghanistan also increased and the *Russki Invalide* says that the increase points to the "re-establishment of a peaceful state of things in Afghanistan." It will be observed, however, that the trade in Indian piece goods is but little larger than it was four years previously and that the trade in tea (Indian and foreign) is still a good deal smaller than in 1886-87. The causes which have combined to prevent the growth of trade (internal disturbances excepted) continue to operate with increased intensity. The Russian competition is keener and the facilities of transit in trans-Caspian territory greater, and the Russian fiscal restrictions against the intrusion of English and Indian goods from the East are severer. The transit duties levied by the Amir are practically prohibitive of trade from the Indian frontier beyond the zone of Kabul, and latterly the effect of these heavy dues has been increased by relatively light dues imposed on goods imported from Russian territory into Afghanistan. The following extracts from a report by Her Majesty's Consul-General at Meshed on the trade of Khorassan for 1889-90 (presented to Parliament last July) illustrate both the effects of these dues on the transit trade through the Amir's dominions to places beyond and the facilities for trade given by the trans-Caspian railway :

The shortest and best route for Indian goods coming to Meshed would undoubtedly be that *via* Kandahar and Herat, a journey of only 800 miles, or 30 stages, from our own railway terminus, but the exorbitant duties levied by the Amir (£2-2s. per cwt.) have caused its entire abandonment. * * * A Peshawar tea merchant, just arrived here to arrange to forward his goods by this route [Bombay and the Persian Gulf] in future, states that the Amir of Afghanistan levies 80 Indian rupees on every camel load of goods passing through his territory (*via* Kabul) to Bokhara. The Amir of Bokhara also levies 2½ per cent. He further states that a pound of tea, costing 12 annas in India, will cost about 16 annas when it reaches Meshed, 18 annas when it reaches Bokhara by this route, and 21 annas by the Kabul route. He says two-thirds of the green tea imported into Bokhara is Chinese and one-third Indian. If this is so, a great quantity of Indian tea must travel there by Kabul, the most expensive route, and the Indian Merchants must be unaware that the Persian route is the cheapest. * * *

At the present moment English and Russian chintzes are selling at the same price in the bazars. * * It is obvious that with the trans-Caspian railway at Askabad, only 150 miles from Meshed, and with both towns linked (as they shortly will be) by an excellent macadamised road, British goods having to cross the seas and traverse the long, rough land routes above indicated, cannot hope to compete with Russian goods and must eventually be driven entirely out of the market, even in these provinces of Persia, unless our own railway is extended in this direction. * * Russian sugar has entirely driven Indian and all other sugars out of the market.

It will be seen by reference to page 32 of the present review that the traders in Indian tea have become aware that some other route than that of Kabul must be taken if the transit duties are not largely reduced.

Kashmir.

The trade of the last three years has been as follows (rupees, 000's omitted) :

	Imports.	Exports.	Total.
1887-88 . .	5,373	5,258	10,631
1888-89 . .	5,023	4,856	9,879
1889-90 . .	5,787	5,638	11,425

The timber trade fell off, but in most of the other large trade (ghi, hides and skins, fruits, woollen goods, and shawls) there was a substantial increase. Ghi, it may be noted, is becoming a considerable trade from across the frontier, coming in from Afghanistan, Kashmir, and Nepal. The total quantity imported into India last year from all countries trans-frontier was 87,116 cwt. The shawl trade remains much smaller than it used to be in the time of the late Maharaja.

The export trade shews a large increase in European and Indian piece goods, and a small increase in tea, most of which, it is satisfactory to observe, is Indian tea.

Nepal.

The imports and exports of merchandise for the last four years are :

	Rs. (000's omitted).	
	Imports.	Exports.
1886-87 . .	16,697	8,606
1887-88 . .	16,440	11,201
1888-89 . .	13,881	11,009
1889-90 . .	14,889	11,583

The bulk of the trade of Nepal crosses the Behar border. The value of the trade of the last two years was as follows (000's omitted) :

	1888-89.	1889-90.
Imports into North-Western Provinces .	5,347	4,845
„ „ Bengal	8,534	10,044
	13,881	14,889
Exports from North-Western Provinces .	3,507	3,624
„ „ Bengal	7,502	7,959
	11,009	11,583

Both imports and exports have therefore increased, imports rather largely in consequence of extensive dealings in rice. In 1888-89 an embargo was placed by the Darbár on the export of grain in consequence of a poor harvest. This having been removed the export of rice to India was carried on very largely, stimulated by the high prices which followed a scanty harvest in Behar. On the other hand the trade in timber has fallen off somewhat, owing to regulations made by the Darbár impeding the trade.

The export to Nepal of cotton goods and of copper (following on the fall in price of that metal) was active.

Thibet.

	Imports. Exports.	
	Rs.	
	(000's omitted).	
1887-88 .	732	503
1888-89 .	904	462
1889-90 .	1,014	401

crosses the frontiers of three provinces—the North-West, the Bengal—and the trade with Bengal was practically extinguished in 1888-89 as the result of the military operations against the Thibetans in Sikkim, having been diverted over the frontier of the North-Western Provinces.

Last year the trade with Bengal resumed its ordinary course. The whole trade with Thibet is, however, insignificant in proportions and likely to remain so.

Karenni and Zimmé.

The trade practically consists of the import of teak timber floated down the Salween river (ooo's omitted in values) :

	From Karenni.		From Zimmé.	
	Tons.	Rs.	Tons.	Rs.
1886-87 .	79,746	3,155	49,973	1,232
1887-88 .	75,797	3,458	65,102	2,240
1888-89 .	92,558	5,216	63,881	3,032
1889-90 .	11,739	759	25,164	1,266

The exploitation of the forests of Upper Burma is said to have materially interfered with the Salween timber trade and, as before remarked, the imposition of the 7 per cent duty had the effect of bringing all available timber down before the duty took effect.

Western China.

This head is a new feature in the returns of trade, the registration having commenced in June 1889. Imports were trifling, amounting only to R138,173—raw silk, grain, ponies, and hides being the principal items. The exports consisted chiefly of raw cotton, value R447,000 out of a total of R526,288—salt constituting the bulk of the remainder. It may reasonably be expected that the trade will largely increase.

The subjoined list of imports and exports in the trans-frontier trade gives a general idea of the relative commercial importance of each large article of trade and of the principal countries with which trade is conducted :

IMPORTS.

	Rs. (ooo's omitted).
Animals : Horses, cattle, sheep and goats, and others .	3,675
[Horses chiefly from Kabul and cattle from Nepal.]	
Drugs and medicines	764
[Charas chiefly from Ladak ; asafoetida and other kinds from Kabul, Kashmir, and Nepal.]	
Fibrous products	512
[Mainly from Nepal.]	
Fruits and Nuts	2,586
[Most largely imported from Kabul and Southern Afghanistan ; in smaller proportion from Kashmir and Nepal.]	

(ooo's omitted)

Grain: Rice husked and unhusked 5,666

Other kinds 1,056

[Rice and other rain crop grains almost entirely from the Nepal terai; other kinds mainly over the North-West frontier.]

Hides and skins 1,020

[From Kashmir and Nepal.]

Oilseeds 2,215

[Mainly from Nepal.]

Provisions: Ghi 3,412

Other kinds 1,065

[Half the ghi from Kashmir; the rest from Nepal and Northern Afghanistan; other sorts of provisions chiefly from Nepal and the Shan States.]

Spices 607

[Kabul, Southern Afghanistan, and Nepal.]

Tobacco 478

[Mainly from Nepal.]

Timber 3,989

[More than half is teak brought down the Salween from Karenni and Zimmé; the rest imported chiefly from Kashmir and Nepal.]

Wool, raw 2,423

[Mainly from Southern Afghanistan and Khelat, and in a smaller degree from Thibet.]

Woollen goods, including shawls 1,592

[Almost entirely from Kashmir.]

The foregoing list, which includes only articles amounting in value to about half a million rupees or more, represents an aggregate value of about 31 millions of rupees, being about 89 per cent of the total imports of merchandise.

The list of exports is not much larger :

Rs.

(ooo's omitted).

Cotton, raw 731

[Mainly to Western China; in smaller quantity to Northern Afghanistan and Nepal.]

Cotton twist and yarn, European and Indian . 568

[To Nepal, the Shan States, and Northern Afghanistan.]

Cotton piece goods, European and Indian . 20,638

[Most largely to Nepal, Kashmir, Kabul, and Southern Afghanistan, but exported in more or less considerable quantities to all countries, these goods constituting the bulk of the export trade. European goods largely exceed in quantity and value Indian goods.]

	Rs. (000's omitted).
Indigo	685
[Mostly to Northern and Southern Afghanistan.]	
Grain and pulse	1,520
[Rice to Southern Afghanistan and Lus Bela ; gram and pulse to Kashmir and Nepal ; other kinds trifling.]	
Metals and Metalware : Brass and copper	1,239
Iron	642
Others	194
[Mostly to Nepal, Kashmir, and Northern and Southern Afghanistan, the bulk of the copper being exported to Nepal.]	
Provisions	1,231
[Largely to Nepal ; some salted fish and ngapi also going to the Shan States.]	
Salt	1,562
* [To Nepal, Kashmir, Kabul, the Shan States, and Western China.]	
Silk goods	587
[Some to Kashmir and Nepal, but mostly to the States on the western frontier of Burma : Siam, the Shan States, Karenni and Zimmé.]	
Spices	841
[Mostly to Nepal.]	
Sugar	1,542
[Of refined sugar the exports are mainly for Nepal, Kashmir and Kabul, the quantity ex- ported by rail to Southern Afghanistan being chiefly consumed in Quetta ; unrefined sugar is exported chiefly to Nepal and Kashmir.]	
Tea, Indian and foreign	1,380
[Exports of foreign largely exceed those of Indian tea. Kabul takes the bulk of the foreign tea and some Indian tea, but of the latter the largest quantity is exported to Kashmir.]	
Tobacco	548
[Mainly to Nepal.]	
Woollen goods, including shawls	504
[Chiefly to Nepal and Southern Afghanistan, where, however, the goods are mainly used in Quetta and the British districts.]	

These articles represent a value of about $34\frac{1}{2}$ million rupees, the aggregate value of the trade in all articles (railway material excluded) being about $40\frac{1}{2}$ millions, or say 85 per cent of the exports.

Government of India.
FINANCE AND COMMERCE DEPARTMENT.

REVIEW
OF THE
TRADE OF INDIA

IN

1890-91:

- I.—Foreign Sea-borne Trade.
 - II.—Trans-Frontier Trade.
 - III.—Coasting Trade.
-

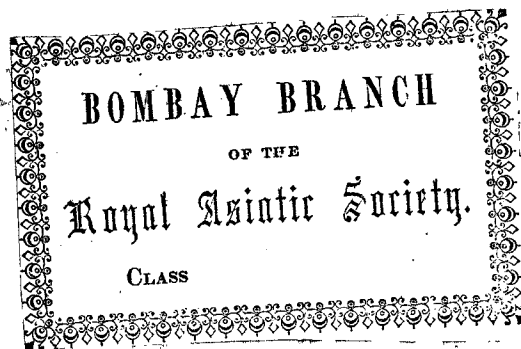
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THE TRADE OF BRITISH INDIA

WITH
FOREIGN COUNTRIES

for the official year ending March 31, 1891.

Section I.—Sea-borne Foreign Trade.

CHAPTER I.

General Summary.

THE principal event of the year, an event on which turned the whole course of trade, was the phenomenal variation in the price of silver and the consequent range of exchange due partly to legislation in the United States, but more particularly to the speculation engendered by the prospect of that legislation. At the beginning of January 1890 exchange stood at 1s. 5d. in Calcutta. The fluctuations were unimportant until April, on the 9th of which month the rate was 1s. 5½d. It then began to go up rapidly, was over 1s. 6d. in May and June and above 1s. 7½d. by the beginning of August, with an increase of another penny by the end of the month. It remained at this high figure until the middle of September when a reaction set in and exchange fell faster than it had risen, 1s. 5¼d. being the rate on 19th November. There was then a further recovery, 1s. 7d. being the rate on 17th December. A further fall ensued to 1s. 5d. on the 25th February 1891, this being the rate at which exchange had stood in January 1890. More fluctuations followed, and at the end of the official year the rate was 1s. 5½d.

2. Taking the rate of 1s. 5d. to equal 100, the following table will give a clear idea of the violent fluctuations to which exchange was subject during the year :—

		s.	d.			s.	d.
2nd January 1890	.	100	1 5	17th September 1890.	120'96	1 8½	16
5th March "	.	101'65	1 5½	1st October "	109'93	1 6½	16
19th " "	.	100'37	1 5¼	15th " "	109'19	1 6½	16
2nd April "	.	100'55	1 5½	5th November "	109'19	1 6½	16
16th " "	.	102'76	1 5½	19th " "	101'47	1 5½	
30th " "	.	103'68	1 5½	3rd December "	108'09	1 6½	
14th May "	.	105'15	1 5½	17th " "	111'76	1 7	
28th " "	.	106'25	1 6½	31st " "	108'09	1 6½	
11th June "	.	108'64	1 6½	14th January 1891.	109'19	1 6½	
25th " "	.	107'54	1 6½	28th " "	108'09	1 6½	
9th July "	.	108'64	1 6½	11th February "	103'68	1 5½	
23rd " "	.	113'24	1 7½	25th " "	100	1 5	
6th August "	.	115'81	1 7½	11th March "	101'84	1 5½	
20th " "	.	122'43	1 8½	24th " }			
3rd September "	.	121'32	1 8½	1st April }	100'74	1 5½	

*Forms taken by
speculation in sil-
ver.*

3. The whole rise before the middle of August, when purchases under the Silver Bill were first made, was purely speculative, silver being stored up for sale to the Treasury on the passing of the law. The discovery was soon made, however, that the speculation had been overdone and that the stock of metal that had been accumulated by speculators was far in excess of the quantity of silver that would be required within any reasonable time for the purposes of the Treasury. Holders therefore hastened to relieve themselves of the load they had taken up, and the price of silver fell as rapidly as it had risen.

Speculation on the price of silver was carried on in two other directions in addition to storage for sale to the United States Treasury. In the first place large purchases were made of silver securities. Where such purchases were made from countries with a silver standard they tended to raise both the rate of exchange and the price of silver. That such purchases were large in the case of Indian securities is proved by the fact that whereas the value of these securities held in London on the 31st March 1890 was only Rx. 21,594,000, the value on the 31st March 1891 was Rx. 26,731,000, being an excess of no less than Rx. 5,137,000 transferred to London during the year. The amount so transferred was far in excess of the transfers of any previous period, the nearest approach to it—though on a much smaller scale—being in 1879-80 when the transfers amounted to Rx. 3,378,000. In the second place the Exchange Banks transferred capital to India from London in view of the anticipated rise in the price of silver.

*Imports of sil-
ver.*

4. While the increase in price was in progress large profits were made by those who threw their silver on the Indian market. The net imports into India were on a scale unprecedented except in 1865-66, the year of the great cotton famine, and 1877-78, a year of famine which necessitated large borrowings and the reduction of Council drawings. The net imports amounted in 1865-66 to Rx. 18,668,673; in 1877-78 to Rx. 14,676,335; last year to Rx. 14,175,136. This large quantity, following on a considerable import in the preceding year, was greatly in excess of commercial requirements, and the excess was augmented by the substitution by Government towards the end of the year 1890-91 of ten millions of rupees in Government securities for that sum in coin and bullion held as part of the Paper Currency reserve. The silver thus thrown on the market from countries outside India and from the currency vaults has not yet been absorbed in general circulation, and the cheapness of money throughout the year has been quite phenomenal. This cheapness and the general dislocation of legitimate trade resulting from the violent changes in the price of silver were partly the cause of the insane speculation in gold shares which prevailed in Calcutta throughout the year.

and of gold.

5. The rapid rise in exchange following on the rise in the price of silver between March and September, besides stimulating the imports of silver, also had the effect of stimulating the imports of gold and of merchandise. Gold was imported (net) to the value of about Rx. 5,636,000, being in excess of the imports of 1889-90 (which were also large) by more than Rx. one million. Altogether the (net) value of gold and silver imported was Rx. 19,811,308.

*Imports of Mer-
chandise.*

6. The temporary stimulus to the importation of merchandise caused by quickly rising exchange was of brief duration, and was not unattended with serious difficulties. When the native dealers who had contracted to buy goods

from importers at prices based upon exchange before it began to rise saw goods brought into the country and sold at prices based upon rates of exchange which had increased by 15 to 20 per cent (making a proportionate reduction in price), there was a prompt repudiation of their contracts, accompanied by the declaration that their fulfilment meant insolvency. The position was becoming critical for importers, when fortunately for them the rate of exchange began to fall as rapidly as it had risen and matters were satisfactorily adjusted, though it is believed that the conditions which followed from the rise in the price of silver were the cause of considerable losses to importers.

7. The total value of the merchandise imported in the year was Rx. 69,034,900, being about 3·7 per cent more than the imports of the preceding year (Rx. 66,560,121), and a little under what may be called a normal increase.

8. The exports of Indian merchandise fell to Rx. 95,902,193, having been Rx. 99,101,055 in the preceding year, the rate of decrease being about 3·2 per cent. This restriction of Rx. 3,198,862 in the value of exported merchandise was due in part to the same cause—the fluctuations in exchange—which helped to increase the value of imported merchandise by Rx. 2,474,779, but it was more largely due to a fall of price in opium and to actually restricted supplies, arising out of deficient harvests of cotton and rapeseed. The restriction would have been greater but for the accident that there was an unusually large demand for Indian rice in the European and Asiatic markets.

9. The trade of the last two years compares thus:—

Total trade:

Imports—

	1889-90. Rx.	1890-91. Rx.
Merchandise	66,560,121	69,034,900
Gold	5,071,027	6,500,832
Silver	12,388,274	15,418,654
Total Imports	84,019,422	90,954,386

Exports—

Foreign merchandise re-exported .	4,295,808	4,233,529
Indian merchandise	99,101,055	95,902,193
Gold	455,723	864,660
Silver	1,386,196	1,207,246
Total Exports	105,238,782	102,207,628

The total trade—imports and exports together—was—

1889-90 . Rx.	189,258,204
1890-91 . „	193,162,014

The increase was only about 2 per cent, while the average rate of increase in the four preceding years was $5\frac{1}{2}$ per cent.

Including Government transactions the aggregate trade of the two years was—

1889-90 . Rx.	192,023,710
1890-91 . „	196,260,382

The considerable transfer of Government securities to London during the year, to which reference has been made in the 3rd paragraph, helped materially to settle the balance of international indebtedness. On the other hand the amount paid for Council Bills was smaller. The drawings of the Secretary of State in the two last years were :

1889-90	£15,474,496 @ 16'565d.	= Rx. 22,419,000
1890-91	£15,969,033 @ 18'089d.	= „ 21,187,000
	Costing less by „	1,232,000

Incidence per head of population.

10. The census of last February giving a total population of 286,697,000 the value of the trade of the year falls at the rate of nearly 7 (6·8) rupees per head of the population : in 1880-81 the incidence on the population (census of 1881) was at the rate of 5·4 rupees per head. The expansion of commerce has therefore been far more rapid than the expansion of the population : while trade has increased in the decade by 42 per cent, the population has increased by only 10 $\frac{3}{4}$ per cent, the ratio of increase of trade being thus about four times greater than the ratio of increase of the population. It is probably even more, for the actual ratio of increase in the population may be taken to be less than 10 $\frac{3}{4}$ per cent in consequence of the defectiveness of the census of 1881 with which the comparison is made.

Articles imported.

11. Amongst imports the largest increases in the year occurred in cotton goods (Rx. 1,136,421) and in sugar (Rx. 1,199,837). There were also minor increases in certain other articles, such as apparel, coal, drugs, glassware, metals, paper, railway material, umbrellas, and woollen goods. But these were almost counterbalanced by a decline in liquors, machinery and millwork, oils, provisions, salt, manufactured silk, and spices. Setting decreases against increases we find the importations of cotton goods and sugar to account for nearly all the increase in imported merchandise.

Sugar trade: imports now larger than exports.

12. The increased importation of sugar is a noticeable feature in the trade of the year. Of refined sugar, which is mainly what India imports, the quantity imported was about 68 per cent more than in 1889-90, the excess being chiefly beet sugar imported from Germany. This is an immediate and direct result of the system of sugar bounties, aided by the development of direct steam communication between India and Germany and by the course of exchange. It is worth while drawing attention here to the fact that whereas in former years India exported more sugar than she imported, that feature has in the last few years been rapidly reversed, as the following figures prove :—

	Imports of Sugar. Cwt.	Exports of Sugar. Cwt.
1874-75 } to 1879-80 }	550,284	576,817
1880-81 } to 1885-86 }	988,429	1,106,557
1886-87 } to 1890-91 }	1,840,417	1,058,311

Last year's imports amounted to 2,734,491 cwt., while the exports amounted to only 824,741 cwt., so that we imported more than three cwt. for every cwt. we exported.

The question suggests itself: Is this feature of trade the result of artificial encouragement of production in Europe? or is it the result of natural causes, Indian sugar being really dearer and therefore unable to compete, or has the limit of our production been reached? If it is the result of State encouragement in Europe, then after a time the imports will diminish, if they will not cease entirely, for the bounty system will probably terminate in a few years; but, if it arises out of natural causes, we must expect imports to increase progressively with increase of population while the exports diminish.

13. The imports of beer continue to maintain the high level which was suddenly reached three or four years ago. Spirits, on the other hand, have decreased, the quantity being less than it was five years ago, a consequence perhaps of the increase of 20 per cent made in the duty in March 1890. There has, however, been a certain increase in wines, though the trade in these also is apparently a non-progressive one. Mineral oil has increased, and the vigour of Russian competition in this article with the United States is indicated by the fact that, though importations from Russia commenced only three or four years ago, last year 38 per cent of the total imports were from that country. It is perhaps not rash to anticipate that before long this proportion will be doubled. The oil is good, and as freights from the Black Sea are lower than freights from the United States, it can be sold more cheaply than American oil, and cheapness is what the native wants. *Other articles.*

Among the imports which give increased values are a number among the classes which are sold in retail trade and are largely imported for European use. Such articles as the following are illustrations: carriages, clocks and watches, earthenware and porcelain, musical and scientific instruments and photographic apparatus, ivory ware, jewellery and plate, matches, floor cloth, paints and colours, printing material, toys and requisites for games. It is evident that the retail trader took advantage of the temporary rise in exchange to lay in stock profitably.

14. Taking our exports in order according to the value of the trade during the year, they stand thus for those of importance:— *Articles of export.*

	Rx.
(1) Grain and pulse . . .	19,539,297
(2) Cotton, raw . . .	16,502,775
(3) Seeds	9,343,252
(4) Opium	9,261,814
(5) Cotton, manufactured . .	7,702,639
(6) Jute, raw	7,602,010
(7) Tea	5,219,233
(8) Hides and skins . . .	4,695,919
(9) Indigo	3,073,125
(10) Jute, manufactured . .	2,481,961

15. Formerly the trade in opium was second in value only to the trade in cotton, and sometimes it exceeded that in value and stood easily at the head of the list. Looking at the rapid progress made in the exports of cotton twist and piece goods, it seems likely that no long period will elapse before opium is reduced to the fifth place in the list, perhaps even to the sixth.

Exports of food-stuffs.

16. Much public attention has been directed recently to the export of food-grains from India, and the matter will probably continue to be discussed, seeing that the rainy season harvest is likely to be deficient over large areas. It is desirable therefore to correct a very general notion that this trade has increased greatly in recent years. The fact is that it can hardly be said to have increased at all, as the following figures for the last ten years will sufficiently shew :—

	Cwt.		Cwt.
1881-82 .	49,926,000	1886-87 .	51,009,000
1882-83 .	46,557,000	1887-88 .	44,606,000
1883-84 .	49,220,000	1888-89 .	42,416,000
1884-85 .	39,217,000	1889-90 .	42,687,000
1885-86 .	50,425,000	1890-91 .	51,149,000

The exports of last year were just about the same as they were five years ago, and not quite $2\frac{1}{2}$ per cent in excess of the exports of ten years ago, and they would have been much smaller if it had not been for a quite abnormal demand for rice from Burma caused mainly by the failure of the Japanese rice harvest. Burma rice was required not only to take the place of Japanese rice in markets which had previously been supplied by that rice, but also to supply deficient stocks in Japan itself. If this unexpected and unusual demand had not occurred, and if Burma had not been in a position to meet it, the total exports of food-grains would have been nearer 45 million than 51 million cwts.

17. Another general idea, to which expression has been freely given in the native press, is that the country is being denuded of its food supplies for exportation; in other words, that the people are being starved to feed the people of other countries. It would be a sufficient answer to this extraordinary statement to say that every pound of grain which is exported is paid for at its full value, and that the owner of produce which is not needed for his own consumption parts with it for export only because it is more profitable to him to do so than to sell it for consumption in the country: for if it were needed for consumption in the country the price offered by local consumers would be at least equal to the price which is offered for export. This answer, however, may usefully be supplemented by the actual facts of the case. We have in the Agricultural Statistics for British India the area under the principal food-grains for the six years ending 1889-90, and these are subjoined, side by side with the figures of export under each head:—

YEARS.	RICE.		WHEAT.		OTHER FOOD-GRAINS AND PULSES.	
	Area: acres.	Exported: cwts.	Area: acres.	Exported: cwts.	Area: acres.	Exported: cwts.
1884-85 . .	20,919,281	22,051,532	19,732,037	15,830,754	71,434,083	1,334,801
1885-86 . .	22,540,999	28,222,595	19,808,163	21,060,519	71,795,832	1,141,850
1886-87 . .	23,471,764	26,879,272	18,306,870	22,253,320	71,754,030	1,866,393
1887-88 . .	24,238,633	28,534,057	19,886,623	13,538,169	73,992,414	2,533,424
1888-89 . .	25,204,870	23,144,641	19,160,828	17,610,081	74,992,439	1,661,699
1889-90 . .	26,313,176	27,098,906	18,430,317	13,799,224	74,856,972	1,789,130

Note.— Upper Burma has not been included in the figures of area as there are no figures for that province for the earlier years. Bengal and the Native States are also excluded from the acreage as there are no figures.

18. During this period the area under food-grains increased from 112,085,401 acres to 119,600,465 acres, that is by 6·7 per cent. The exports of all food-grains increased in the same period from 39,217,087 cwt. to 42,687,269 cwt., that is by 8·8 per cent.

19. Looking further into the figures it appears that, with an increase in the exports of rice of about 23 per cent, there was an increase in the rice acreage of about 26 per cent. With a decrease in the exports of wheat on the other hand of nearly 13 per cent, there was a decrease in the wheat acreage of only 6·6 per cent. In the first case the increase in acreage is substantially in excess of the increase in export demand; in the second case the decline in acreage is much less than the decline in export demand. In both cases, and especially in the case of wheat, the increase in the area over and above the increase required to supply the foreign demand is what is required for the increased population. The third case seems to be an exception, but it is not so in fact. The area has increased in about the same ratio as the population, and the exports are as yet so absolutely insignificant that their withdrawal from stock has no appreciable effect on the quantity available from the enormous area cultivated. If the exports should very largely increase hereafter—which, however, does not at present seem to be probable—we shall certainly find the area of cultivation to extend in direct ratio with the combined home and foreign demand.

20. It should be borne in mind that the mere increase in acreage is an insufficient measure of the increase in yield. Between 1884-85 and 1889-90 irrigation has made much progress, the irrigated area under wheat having increased by 24 per cent and the irrigated area under other cereals and pulses by nearly 48 per cent. The yield is larger and less precarious than formerly on tracts that have been brought under irrigation. It should also be remembered that the extension of railways has permitted the cultivator in many places to sell to advantage surplus grain which formerly went to waste. On the whole there seems to be no reason as yet to suppose that the supply of food-grains has not increased in direct proportion with the increased population and the foreign demand.

21. In regard to other articles of export but few remarks are required in this general sketch of the course of the trade last year. The export of tea has continued on an increasing scale, over 107 million pounds having been exported; but the increase (about 3 per cent) has not been so great as in former years, and it would seem that the active competition of Ceylon—now that China has been beaten in the race—is beginning to tell. The United Kingdom imported in 1890 about 101½ million pounds from India, while the imports of China tea had fallen to less than 74 million pounds. But from Ceylon, on the other hand, there were imported about 42½ million pounds, a remarkably large quantity considering the recent commencement of tea cultivation in that island. Ceylon has certainly great advantages in its greater nearness to England and to Australia than Calcutta and the consequent smaller freight that has to be paid, in the close proximity of the tea gardens to the port of shipment, in the abundant and cheap labour supplied to it from the adjacent ports of Southern India, in climatic conditions, and in the excellent quality of most of the tea produced. The planters of the island have also been able to profit by all the experience gained in India and to avoid the mistakes that were made here in the earlier days of the enterprise. It may be well for tea planters in India to recognise

*Other articles :-
Tea, &c.*

distinctly that the pushing competition of Ceylon must inevitably bring about in the near future a permanent fall in price unless we can largely widen our markets, the two largest markets in America and Australia being still practically held against us by Japan and China.

22. In opium there was a small increase in quantity and a large fall in value. Indigo, cotton, and rapeseed fell largely in both quantity and value, and there was also a great decline in value of jute and of jute bagging. In fact, with the exception of cotton manufactures, grain and pulse, hides, linseed and some other oilseeds (other than rapeseed of which the crops were a disastrous failure), it may be said that almost all important articles of export give unsatisfactory results as regards quantity or value, or both.

*Cotton yarns
and piece goods.*

23. The exports of cotton twist increased in the year by over 19 per cent, the value reaching about Rx. $6\frac{1}{2}$ millions, the bulk of the exports being to China. As yet the inception of the cotton spinning industry in that country seems to have had no effect on our exports, though we must be prepared eventually for effective competition. The exports of cotton piece goods also increased by $13\frac{1}{2}$ per cent, being a complete recovery from the depression of the previous year. The principal markets for these are on the African and Arabian coasts, in Ceylon and the Straits, and there can be little doubt that with the gradual introduction of civilisation into Africa, Bombay should possess there an ever-increasing market for cotton cloths.

*Trade of the
Provinces.*

24. The import trade of each of the Indian provinces increased more or less largely in the year, the increase in Bombay being the largest. On the other hand, every province, with the exception of Burma, shared in the general decline of the export trade. In that province there was a very large increase, due to the unusual activity of the rice trade to which reference has before been made.

25. The total import and export trade (in merchandise) of each of the provinces during the year was as follows :—

	Rx.
Bombay	65,402,638
Sindh	8,402,102
Bengal	63,339,585
Madras	16,933,696
Burma	15,092,600

Thus Western India, or practically the ports of Bombay and Karachi, had about $43\frac{1}{2}$ per cent of the whole foreign trade last year, while Bengal, Burma, and Madras had $56\frac{1}{2}$ per cent. The trade of Calcutta was $36\frac{1}{2}$ per cent, and of Bombay $38\frac{1}{2}$ per cent of the whole, these two ports monopolising three-fourths of the foreign trade of the country.

*Trade with
countries.*

26. Of the whole import and export trade in merchandise 68 per cent was with Europe, the bulk of this being with the United Kingdom with which just half our whole trade was conducted. The trade with Europe was really more than 68 per cent of the whole, probably not less than 70 or 71 per cent, for the trade with Egypt; though it must be recorded under Africa, is mainly European.

Taking the record as it stands, the trade in merchandise last year was as follows:—

	Rx.
With the United Kingdom .	84,857,056
With other European Countries .	30,187,302
Total with Europe .	115,044,358
With Africa	9,632,186
With the American Continent . .	6,429,218
With Asia	36,588,254
With Australia	1,476,605

In the last five years there has been a material diversion of our trade from England to countries on the European Continent, for while our trade with England has increased by less than $4\frac{3}{4}$ per cent in that period, our trade with other European countries has increased by about 26 per cent.

27. Germany and Belgium are conspicuous in the record for the rapid development of our commercial relations with them. With Germany our trade has increased from Rx. 944,935 to Rx. 6,086,746 being an increase of 544 per cent in the five years. Some of this increase is doubtless trade which was until within the last two or three years conducted indirectly by way of England, but much of it is also trade which is quite new, owing its creation to the establishment of direct steam communication between Northern Germany and India. About half the whole value of the imports from Germany last year was represented by beet sugar, and, even though the trade was aided by the remarkable conditions of exchange which prevailed for a part of the year, it can hardly be considered satisfactory that such imports could have been successfully made in competition with local production and manufacture: the imports were large, representing 35,459 tons valued on landing at Rx. 840,270.

Germany.

28. Our trade with Belgium reached last year Rx. 5,629,094, having increased by 44 per cent in five years. Until the last three years our trade with Italy largely exceeded the trade with Belgium, but the positions have now been completely reversed. France still has larger commercial relations with India than any other European country except the United Kingdom; but as the trade increases very slowly, it seems likely that our relations with Germany may soon become more important than those with France, and that the centres in Europe of trade with India are being transferred from the Mediterranean to the Northern seas.

Belgium and other European countries.

29. The development of our trade with other regions of the world is on the whole very satisfactory, in some cases (especially Australia) particularly so. The opium trade bulks so largely in our relations with Asiatic countries that the decline in its value has appreciably affected the rate of progress, but the development of the trade in cotton yarn and cloths with China, Japan, and other countries, and in petroleum with Russia, has compensated for the decline in opium.

Other regions.

30. Unsatisfactory as the year was from the point of view of trade owing to the violent and rapid fluctuations of exchange, it was a good year from the point of view of the customs revenue. The net import revenue was Rx. 774,269, being

Customs revenue.

nearly 7 per cent more than that of the previous year, the increase being almost entirely the result of the increase made in the spirit duties in March 1890. The net export revenue, which is derived entirely from rice, was Rx. 900,647, being 27·6 per cent more than the revenue of the previous year, this increase being due to the abnormal increase in the exports of rice already explained.

The only dutiable articles in the list of imports are liquors, salt, opium, petroleum, and arms and ammunition. The value of these articles last year was only about 6·6 per cent of the total imports, 93·4 per cent being entirely free : in England last year the proportions were almost the same, being 7 and 93 per cent respectively. We are behind England, however, in our retention of an export duty. Rice, on which this is levied, represented in value last year 13·4 per cent of the whole value of exports of Indian goods.

Shipping.

31. The shipping which entered and left Indian ports during the year was substantially larger than in 1889-90, chiefly owing to the demand for rice from Burma. The numbers and tonnage compare thus:—

	No.	Tons.
1889-90 .	10,673	7,315,586
1890-91 .	11,023	7,684,954

giving an increase of 5 per cent in tonnage, the increase in Burma being about 13 per cent. The displacement of sailers by steamers continues, steam tonnage last year representing over 78 per cent of the whole against 73 per cent in the preceding year. The tonnage under the British flag represented about 82·4 per cent of the whole against 81·3 per cent in the previous year. There has been a large increase in vessels under the German flag:—

	No.	Tons.
1889-90 .	138	180,996
1890-91 .	167	253,665

but the flags of other nations are becoming rarer in our ports.

[*Note.*—This Chapter was separately published on the 27th July, and is now reissued with the rest of the Review.]

CHAPTER II.

Imports of Merchandise.

32. The values of imported merchandise since 1869-70 stand thus :

	Exchange. d.	Rx.
<i>Annual average, 1869-70 to 1873-74</i>	22'770	31,837,600
<i>Annual average, 1874-75 to 1878-79</i>	20'981	36,603,400
<i>Annual average, 1879-80 to 1883-84</i>	19'774	47,950,000
<i>Annual average, 1884-85 to 1888-89</i>	17'656	58,515,400
1889-90	16'565	66,560,120
1890-91	18'089	69,034,900

The value of the trade last year was a little under 4 (3·7) per cent in excess of the value of the preceding year.

33. Taking the prices of March 1873 as = 100, the following table shews the variations in the prices of staple imports since then at Calcutta :—

	Grey shirtings, 8½ lb.	Mule twist, white, No. 40.	Mule twist, Turkey red, No. 40.	Copper, sheathing.	Iron, flat, bolt, &c.	Total.
March 1873	100	100	100	100	100	500
June 1874	97	92	106	95	108	498
March 1875	86	92	102	103	93	476
" 1876	86	90	92	99	79	446
January 1877	78	90	85	92	67	412
" 1878	73	78	87	86	60	384
" 1879	76	75	78	80	56	365
" 1880	81	84	75	83	73	396
" 1881	82	82	69	81	56	370
" 1882	78	84	69	89	71	391
" 1883	82	74	54	80	60	350
" 1884	75	74	62	77	62	350
" 1885	76	72	58	64	54	324
" 1886	84	67	57	57	50	315
" 1887	81	62	57	65	53	318
" 1888	79	75	59	90	61	364
" 1889	81	75	57	98	65	376
" 1890	76	74	57	69	79	355
" 1891	74	70	56	71	62	333
August "	76	66	57	75	61	335

Prices continue low—for grey shirtings and mule twist they are at nearly as low a level as has been seen since 1873.

34. The important articles are set out below, with the extent of the rise or fall in value of each, compared with the preceding year, stated against them :—

<i>Increases.</i>		<i>Decreases.</i>	
	Per cent.		Per cent.
Apparel	4	Liquors	2'8
Coal	17'9	Machinery and millwork . .	15'2
Cotton manufactures . .	3'8	Oils	0'4
Metals	0'6	Provisions	7'5
Railway material . .	9'9	Silk and silk goods . .	12
Sugar	54'5	Salt	12'9
Woollen goods	24'9	Spices	4'6

35. Grouping the items as they appear in the trade returns the values of the trade in each of the groups in the last five years is stated below in Rx. :—

	1886-87.	1887-88.	1888-89.	1889-90.	1890-91.
<i>Animals, living</i> (mostly horses)	261,223	256,103	295,300	239,708	295,430
<i>Articles of food and drink</i>	6,789,602	7,497,006	7,469,086	7,867,666	8,628,852
<i>Metals and manufactures of metals, including hardware and cutlery, machinery and millwork, and railway plant and rolling stock</i> . .	8,361,079	10,784,843	9,966,327	11,058,900	10,909,477
<i>Chemicals, drugs, medicines and narcotics, and dyeing and tanning materials</i>	942,778	1,006,324	1,195,801	1,280,334	1,397,479
<i>Oils</i>	1,408,430	1,486,791	2,072,825	2,645,213	2,634,187
<i>Raw materials and unmanufactured articles</i> . .	3,149,118	3,944,042	4,115,681	3,725,259	4,032,765
<i>Articles manufactured and partly manufactured</i>	37,749,232	37,409,702	41,455,297	39,743,039	41,136,710

Animals, living. 36. The first group, which is very much the smallest of the whole and is both absolutely and relatively unimportant, is confined almost entirely to horses imported from Australia and the Persian Gulf. These are mainly required for army remounts, for tramways in Calcutta and Bombay, and for the private conveyances of well-to-do persons in the large cities. For all other purposes the horse bred in the country suffices.

The increase in this group is only 13 per cent in the five years.

Articles of food and drink. 37. The second group is of some importance, being about an eighth of the whole imports. Its largest component parts are sugar, liquors, provisions (largely for European consumption), salt, and spices. This group has increased by 27 per cent in the five years, the increase being to some considerable extent due to the large proportions which the imports of sugar have assumed in the last year.

Metals and metalware. 38. The third group is of larger importance, the value forming about a sixth of the whole imports. It has increased 30 per cent in the five years in consequence of augmented imports of hardware and cutlery, iron, steel, machinery and millwork, and railway material.

The development of trade under such heads is a very satisfactory indication of the industrial progress of India.

Chemicals, drugs, dyes, &c. 39. Although the increase of 48 per cent in five years in this group is large, the importance of the group is in itself small. Its main interest centres

in the importation of aniline and alizarine dyes which are increasing so rapidly year after year as to threaten to drive the indigenous vegetable dyes completely out of use.

40. In this group there has been the remarkable increase of 87 per cent in five years, due mainly to the rapidity with which indigenous vegetable illuminants are being displaced by imported mineral oils. It would seem that in the not remote future native oils will have been almost completely discarded, as far as lighting purposes are concerned, in favour of imported petroleum. Then, it may be hoped, will come the turn of native petroleum to supersede the imported article. At present the Indian petroleum fields are so remote from the chief centres of consumption, and the cost of transit is so great that it cannot be prepared and sold for ordinary domestic purposes in competition with the imported article. But as the practice of using mineral oil extends and means of communication are facilitated and cheapened there ought to be a good opening for Indian petroleum. *Oils.*

41. This group contains but three articles which are at present of industrial importance, namely, coal, silk, and cotton. The imports of the former, mainly from England, were stimulated by the rapid rise of exchange last year, but they are gradually giving way before the extended use of Indian coal. Both silk and cotton are most largely used for manufacture in the Bombay mills, silk being imported from China and cotton from Persia. *Raw materials and unmanufactured articles.*

None of the other articles in the group are of any special importance.

42. This is the most important of all the seven groups, comprising about three-fifths of the total imports. It will be understood, of course, that it does not profess to include all the manufactured articles imported, but only such as are not included in other groups, such as metals, chemicals, &c. Three-fourths of the value of this group are represented by cotton goods and yarn. *Manufactured and partly manufactured articles.*

The rate of increase in this group is smaller than in any of the other groups, amounting to not more than 9 per cent in the five years. This slow growth is the result of the restriction of trade in cotton goods and yarn which, as already said, constitute the bulk of this group—quite three-fourths of it. The trade in cotton goods and yarns has increased in this period by less than $6\frac{1}{2}$ per cent, but if quantities are taken into account the trade has in fact made no appreciable progress. Here we see the effect of the competition of the Indian mills, for those classes of imported goods which are made in the Indian mills have declined and the increase in the classes in which there is no Indian competition has not been so considerable as to compensate for the decline, these classes being such as are used only by the relatively wealthy sections of the people and therefore imported in comparatively small quantities.

Most of the other articles in the group have increased more or less in the period, but there are certain exceptions, most of them of little importance, *e.g.*, coir, tanned hides and skins, saddlery and harness, and soap (all which we produce ourselves), corks, fireworks, perfumery, firearms and gunpowder, jewellery and plate, and corals (the use of which would appear to be declining). The only articles of importance in which there has been a decline in trade are (1) silk goods, of which large quantities are now made in India for use in Burma where silk is more largely worn than in other parts of India; and

(2) parts of ships of which there was an unusually large importation in the first three out of the five years owing to the demands for steamers on the Upper Burma rivers following on the annexation of the province.

43. The succeeding paragraphs will deal with such of the articles included in each group as require remark.

Grain and pulse.

44. With the prevalence of high prices during the last three years there has been a considerable increase in the imports, which consist chiefly of wheat brought to Bombay from the Persian Gulf, though the trade is still quite trifling. The total quantity of all grains imported was 231,369 cwt., of which wheat represented 124,135 cwt.

*Liquors :
Malt liquor.*

45. The imports of ale, beer, and porter amounted to 2,785,574 gallons, being just a little less than the high figure attained in the previous year. The Government has terminated, since the end of 1890, its contracts with the Indian brewers for the supply of the troops in the Madras and Bombay Presidencies, and as the importers of European beer are actively competing for the custom of the British soldier, it is probable that the imports of beer will not recede from the high level they have reached in the last three years. What effect the new arrangements may have on the Indian breweries is still uncertain : in 1890 they brewed about 5,192,000 gallons. The production has not increased since 1887.

Spirits.

46. The importations amounted to 1,056,000 gallons, being about 44,000 gallons less than in the preceding year, and about 8,000 gallons less than in 1886-87, five years ago. The trade is clearly non-progressive if not actually declining. Apart from other causes which may possibly be in operation, the large reduction last year may be ascribed, without risk of error, to the increase in the spirit duties which were raised from 5 rupees to 6 rupees a gallon, an increase of 20 per cent. The decline in brandy, gin, and rum is conspicuous, and the inference which may be drawn from the fact is that the cheaper kinds of these liquors have not been able to stand the higher rate of duty and have been giving way to country liquor. In whisky there was a small increase, and "other sorts" remained at about the level of the preceding year. These "other sorts" are arrack from Ceylon, samshu from China and the Straits, various unenumerated spirits from Germany and other European countries, drugs containing spirit, perfumed spirit, and rectified spirit, methylated or not.

Wines.

47. These increased by about 12,700 gallons in the year, but the trade cannot be called progressive : it is indeed far smaller than it was ten years ago. Port appears during the last four years to have somewhat recovered—probably as a result of change of fashion—the ground it had lost. But all other kinds of wine have been steadily if slowly declining. The total quantity imported last year was 362,096 gallons.

Liqueurs, like other spirits, were imported on a smaller scale last year.

Provisions.

48. This trade on the whole was smaller than in the previous year, the imports of dates and ghi from the Persian Gulf having been reduced by reason of unfavourable climatic conditions in the tracts whence these articles are exported. There was also a reduction in the imports of salted fish into Burma where the article is largely consumed, owing, according to the Chief Collector of Customs

at Rangoon, to the high prices prevailing in Cochin China and elsewhere having prevented profitable trade. This salted fish, imported free of duty, competes in Burma with fish cured with salt taxed at the rate of one rupee a maund of $82\frac{2}{3}$ lbs.

Other kinds of provisions increased, these things—mainly canned and bottled goods, bacon and hams, butter and cheese—being imported for retail sale to Europeans, and the conditions of exchange for a time having tempted the retailer to replenish his stocks cheaply.

49. Imports have been as follows in the last five years:—

Salt.

1886-87	. .	416,592 tons.
1887-88	. .	423,897 "
1888-89	. .	398,810 "
1889-90	. .	410,808 "
1890-91	. .	395,243 "

The reduction of imports from the United Kingdom and the increased imports from Germany and Aden, of which mention was made last year, still continue. The imports of the last four years have been as follows (in tons):—

	1887-88.	1888-89.	1889-90.	1890-91.
United Kingdom	339,651	337,089	285,767	273,008
Germany	23,187	7,711	45,439	60,540
Arabia	42,633	20,129	35,736	11,322
Aden	15,004	17,397	33,782	36,662
Other countries	3,422	16,484	10,084	13,711
	<u>423,897</u>	<u>398,810</u>	<u>410,808</u>	<u>395,243</u>

In this period imports from the United Kingdom have declined by over 19 per cent, and the fall has been continuous from year to year. It commenced when the Salt Syndicate commenced the combination to raise prices, and if prices continue to be kept high, it is to be hoped that the diversion of trade may enlarge and be permanent and that locally manufactured salt may also effectively compete. The subjoined figures shew how prices have been raised, commencing with 1887-88. The prices are those of Liverpool salt in Calcutta:—

	Rupees per 100 maunds.		Rupees per 100 maunds.
1881-82	51.9 to 60.4	1886-87	68.5 to 74.4
1882-83	48.9 " 55.9	1887-88	73.5 " 80.8
1883-84	56.3 " 62.3	1888-89	88.3 " 102.6
1884-85	52.5 " 57.9	1889-90	89.8 " 98.2
1885-86	55.9 " 60.6	1890-91	71.2 " 81.2

Last year prices fell materially, mainly in consequence of the rise in exchange, though competition must have begun to tell. In the present year prices are rather lower again, and this can only be the result of competition:

	R.	R.
April 1891	71.25	83.5
May "	67.75	75.87
June "	63.2	74.6
July "	58.25	71.25

Sugar.

50. The imports reached the large quantity of 2,932,000 cwt., value for about Rx. 3,400,000. In former years we used to receive sugar mainly from Mauritius and China whence it was brought to Bombay. All that is now changed and sugar is imported from many other countries besides the two just mentioned, and it is imported into other places besides Bombay.

Last year's imports, for instance, were as follows :—

	Cwt.
From Mauritius .	1,494,945
„ Germany .	709,195
„ China .	195,912
„ United Kingdom .	281,202
„ Straits .	118,944
„ Java .	60,098
„ Austria .	31,374
„ Belgium .	25,044
„ France .	9,356

and smaller quantities from Asiatic countries and the African-Coast. The quantity received from the European Continent, amounting to about 775,000 cwt., is all beet sugar, as is probably a proportion at least of the imports from the United Kingdom, and thus we have beet sugar, protected by State bounties and aided by a rising exchange, freely competing all over India with cane sugar produced in India, the imports having been thus distributed :

	Cwt.
Bombay .	1,728,111
Sindh .	360,979
Bengal .	704,636
Burma .	129,244
Madras .	8,931

It might be supposed that ordinarily, now that railways and steamers afford facilities for easy, cheap, and quick communications between the different sections of the country, the demands of Bombay and Sindh could be supplied from Northern India and those of Burma from Bengal. This is apparently not the case, but the year was exceptional and it is possible that the circumstances of the trade were also exceptional.

Hardware and Cutlery.

51. The imports of articles classed under this heading keep at a tolerably high and increasing figure. The average of the five years preceding 1890-91 was Rx. 986,855, the last three years averaging nearly Rx. 1,100,000. In 1890-91 the value was Rx. 1,197,614. The bulk of these goods still comes to us from the United Kingdom, but the increasing share in the trade taken by Germany, Austria and Belgium is noticeable, though that share is still but trifling. From these countries the imports in 1885-86 and last year were as follows :—

	1885-86. Rx.	1890-91. Rx.
Germany .	1,913	55,794
Austria .	15,302	46,007
Belgium .	20,835	28,774

Copper.

52. There was a somewhat material reduction in the imports of this metal. This trade is more sensitive than almost any other to the influences of prices, not only of copper but of food-grains in India. The metal is largely used for the manufacture of domestic utensils, and any tension in the material conditions of

the people affects the demand. If harvests have been abundant a process is begun of substituting copper and brass vessels for earthenware; if conditions are not good, as was the case last year, the conversion is postponed or is carried on in a restricted way; if conditions are very bad the reverse process takes place, copper and brass vessels being sold and earthenware substituted. Other conditions being fairly good, the level of price of copper affects the demand more or less materially. Last year we had a combination of rising prices of copper and rising prices of food-grains due to more or less deficient autumn harvests in parts of the country, with the result that the imports of copper declined $21\frac{1}{2}$ per cent. During the present year, with a reduction in the price of copper and large profits made from excellent crops of wheat for which high prices have been obtained, there is a great expansion in the imports of copper.

53. A substantial increase of about $7\frac{1}{2}$ per cent, chiefly in the forms of bars, galvanised iron, nails, screws and rivets, these also being the descriptions most used in the country. The increase in the imports of galvanised iron (for roofing) is remarkable: they have more than doubled in six years, amounting last year to about 24,000 tons. This material is every year more extensively used, in the hills for the roofing of dwelling-houses, in the plains for sheds containing merchandise and on railway lines. Pipes and tubes are imported in larger quantities as works of water-supply and drainage extend.

Iron.

Most of the iron we require is imported from the United Kingdom, but imports from Belgium have increased greatly in recent years. The trade with that country began with a small import of 65,000 cwt. in 1882-83; in 1889-90 we imported 606,000 cwt., and last year 536,000 cwt., importing also about 165,000 cwt. of steel. There was a very large increase in the imports of steel in the year.

Copper, iron, and steel are the metals imported in largest quantities. The others are relatively unimportant.

54. There was a decline of 15 per cent in the value of imports, but as quantities are not stated in the returns it is not easy to say how far there was a real diminution in the imports, or how far the smaller value was the result of a fall in prices caused by the rise in exchange. It would seem that there must have been a temporary check to some kinds of machinery, for while the value of steam engines and their parts declined materially, other kinds of machinery gave increased values. The lower values also all occur in Bombay and seem to indicate a pause in the expansion of the mill industry. But it must be borne in mind that the imports of the two preceding years had been exceptionally large.

Machinery and Millwork.

55. Imports were a good deal larger than in the preceding year. They fluctuate a good deal from year to year in accordance with the extent of the operations conducted by railway companies.

Railway material.

56. There was a large increase in the imports of quinine, which more than doubled during the year, rising from about 15,000 lb to over 30,000 lb. As the unfortunate people who find themselves obliged to consume this drug have not obtained the benefit of the low price at which it is now placed wholesale on the market, and therefore there has been no large incentive to use it more freely, it may be assumed that the retail druggist took advantage of the rise in exchange to replenish his stocks at a profit to himself.

Chemicals, &c.

There was a quite remarkable rise in the price of camphor during the year—a rise of more than 50 per cent; and imports, as in the year preceding, were on a very reduced scale. It was currently said that the reduction in stocks and the increase in price were due to a large demand for camphor in connection with the manufacture of smokeless powder. It may be that there was a demand for that purpose, but the effective cause of the rise in price and disturbance of trade lay, as appears from a report by the British Consul at Tainan, in the action of the Chinese officials in Formosa. He says that a Government monopoly, which had been abolished in 1869, was suddenly revived in 1886, just as foreigners were again engaging in it. On their representation their claims for compensation for losses were admitted after long delays, but when they were then again about to enter into the trade another means of keeping them out of it was found. A tax of 2s. 8d. per cwt. was levied, which was shortly raised to 8s., but as even this rate did not prevent foreigners from carrying on the trade, since prices were high at Hongkong, the tax was suddenly increased to £2. 9s. 6d. per cwt., and the natives were warned that this sum must be paid to the officials before they could sell their camphor to foreigners. Prices which had ranged from £1 3s. 4d. to £1 11s. 7d. per cwt., at once rose to £4 2s. 4d. The Consul, after detailing the facts, adds: "It is perfectly impossible under these circumstances for foreign merchants to compete with the monopolists, and the trade has collapsed, at any rate for the present." Some means must have been speedily found, however, to shew the monopolists the error of their ways, for the trade has resumed its normal condition as regards prices and dimensions.

Aniline and alizarine dyes continue to be imported in increasing quantities. Last year's imports were 61,722,000 ounces, an increase of more than four million ounces on the imports of the preceding year, which again were five million ounces in excess of those of 1888-89. The value of the trade has now reached Rx. 354,000, and if the present rate of progress continues, which seems likely, there can be little doubt that not many years hence indigenous vegetable dyes and native processes of dyeing will be things of the past.

Most of these dyes come to us from Belgium and other continental countries.

Oils.

57. The imports of mineral oil amounted to 54,235,275 gallons, which was but a small increase on the trade of the preceding year. In that year, however, the trade expanded suddenly to very large proportions and it is sufficiently satisfactory that it has not receded. This trade will undoubtedly still further expand largely, and ultimately drive vegetable oil out of use as an illuminant in most if not all Indian households. More than a third (36 per cent) of the whole supply was received last year from Batoum. From the United States we received 32,693,000 gallons; from Russia 19,843,000 gallons.

The vegetable and other oils imported remain of small importance: there was, however, a very large increase in the imports of cocoanut oil last year.

Raw materials and unmanufactured articles.

58. Of coal the quantity imported was much larger than in 1889-90, though not equal to the quantity in previous years. Imported coal is now mainly used in Western India (Bombay and Sindh) for steamers, mills, and railways. In other

parts of India, which have now been brought within reach of the Bengal coal fields, the imports are insignificant and tend to become more so. Bengal has reduced its demand for imported coal to very small limits, and Burma is following the example, taking Bengal coal for steamers and using rice husks in the rice mills, while Madras has no occasion to use coal largely except for railways.

The imports of *cotton* fell from 116,000 cwt. in 1889-90 to 84,236 cwt. last year. Of this quantity, 3,513 cwt. consisted of long-stapled cotton from Egypt. It may be hoped that the experimental use of this cotton for the spinning of fine yarns will prove successful.

In *Silk* there was a small, and in *Ivory* a large, increase.

Manufactured articles.

59. The imports of *cotton twist and yarn* in the last five years have been as follows :—

	Rs
1886-87 .	49,014,000
1887-88 .	51,543,000
1888-89 .	52,587,000
1889-90 .	46,383,000
1890-91 .	50,971,000

Although the imports of the year, stimulated by rising exchange, were much larger than in 1889-90, it seems that the trade has made no real progress in the five years, the rate of increase being in fact smaller than the ratio of increase in the population. The same remark applies more strongly to cotton piece goods which have in fact fallen off in quantity during the five years :

	Grey (unbleached). Yards.	White (bleached). Yards.	Coloured, printed, or dyed. Yards.
1886-87 .	1,356,279,000	387,104,000	412,036,000
1887-88 .	1,180,175,000	320,464,000	339,103,000
1888-89 .	1,347,299,000	406,492,000	372,457,000
1889-90 .	1,257,001,000	339,098,000	400,949,000
1890-91 .	1,280,540,000	373,149,000	360,335,000

It may be said that, if it had not been for the competition of the Indian mills the trade in piece goods in 1890-91 should have been at least 10 per cent larger than it was, and that to this extent at any rate the cloth woven in the Indian mills, or from yarn spun there, has within five years taken the place of imported cloth in our markets. The extent of the diversion is, however, probably greater. In other kinds of cotton goods there has been a moderate increase, these being mainly of descriptions which are not woven in India either from locally spun or imported yarns, but these kinds are relatively of trifling dimensions. It would seem in fact that the time is not very far distant when the imports of the coarser and medium cottons which form the bulk of the trade will gradually disappear, and that the trade will be limited to the finer qualities and therefore of small dimensions. In connection with this subject the following extract from

a letter from the commercial correspondent in London of the *Times of India*, dated the 30th January last, is of some interest:—

Several specimens of dhooties manufactured in India were laid on the table for inspection at the meeting of the Blackburn Chamber of Commerce on Wednesday. Mr. Alexander Harrison, who presided, said that during the last ten years it has been the general opinion in Lancashire that it is impossible for millowners in India to make dhooties from 40's or the 50's yarns. But here before their eyes were remarkably good specimens of dhooties made from 40's twist and 50's Egyptian weft. Mr. Harrison added that in his mind there had never been any insuperable difficulty that would prevent Indian manufacturers from producing fine counts, and he owned the opinion that in India in time they will grow their own cotton and weave these fine counts. The manufacturers of Lancashire should carefully watch the doings of the Indian manufacturers, or they will find not only that the coarse yarn trade has gone, but that the medium trade will go also. And he urged that it is time for Lancashire manufacturers to consider their situation and to take means to fortify themselves against encroachments on their interest.

60. *Silk goods* declined and *woollen goods* increased during the year, but the trade presents no special features. Silk had been overdone in the preceding year and stocks of woollens had run down. There was a fair increase in Apparel, under which head are classed boots and shoes, in which there is a steady, though not quickly increasing, trade.

Other manufactured goods.

61. Of the other articles enumerated in this group the following are the most important. The value of the trade in each of the last two years is here specified:—

	1889-90. Rs.	1890-91. Rs.
Arms and ammunition, including dynamite and other explosives	191,591	206,331
Books and printed matter	215,027	222,401
Building materials	179,220	184,816
Cabinet-ware and furniture	99,397	91,415
Candles	135,947	111,495
Clocks and watches	104,531	129,732
Corals, real	140,194	168,716
Earthenware and porcelain	223,929	227,874
Glass and glassware	647,127	650,236
Instruments and apparatus:		
Musical	85,588	94,165
Scientific	99,894	106,428
Jewellery and plate	83,716	94,551
Leather and leather goods, excluding boots and shoes	184,818	170,255
Matches	239,407	282,755
Paints and colours, and painters' materials	267,366	302,861
Paper and pasteboard	407,479	431,436
Ships, parts of	67,328	42,220
Soap	111,388	92,852
Stationery	232,133	223,874
Toys and requisites for games	135,862	150,094
Umbrellas	314,106	326,092

62. The list appended states in the order of their importance the principal articles of merchandise imported into India :—

	1889-90. Rx.	1890-91. Rx.
Cotton goods and yarn .	29,873,928	31,010,349
Metals, including hard- ware and cutlery .	6,802,177	6,843,762
Sugar .	2,200,049	3,399,886
Oils, chiefly mineral .	2,645,213	2,634,187
Silk, raw and manufac- tured .	2,845,159	2,501,430
Machinery and millwork	2,435,385	2,063,863
Railway material .	1,821,337	2,001,853
Woollen goods .	1,455,235	1,818,213
Coal .	1,308,590	1,543,442
Provisions .	1,596,565	1,476,070
Liquors .	1,465,144	1,423,460
Chemicals, drugs and medicines, dyes, &c. .	1,280,334	1,397,479
Apparel .	1,296,394	1,349,898
Spices .	852,350	813,115
Salt .	894,532	779,034
Glass and glassware .	647,127	650,236
Paper and pasteboard .	407,479	431,436
All other articles .	6,733,122	6,897,187
TOTAL .	<u>66,560,120</u>	<u>69,034,906</u>

The two first items comprise more than half (nearly 55 per cent) of the whole value of imports, and these two, with machinery and railway material, represent three-fifths of the trade.

CHAPTER III.

Exports of Merchandise.

I. EXPORTS OF FOREIGN MERCHANDISE:

63. The figures of the trade for the last five years are as follows :—

Rx.
3,519,665
4,101,440
4,335,437
4,295,808
4,233,529

The trade has been gradually declining during the last three years, the decline being mainly due to a fall in the trade with the United Kingdom, the result probably of recent endeavours to effect direct communications between England and the places with which trade is carried on in the Persian Gulf and elsewhere.

64. The following are the main items of the re-export trade, with their values :—

	1889-90. Rx.	1890-91. Rx.
<i>Articles of Food and Drink :</i>		
Provisions	137,611	131,301
Spices	116,779	68,753
Sugar (refined)	267,609	197,659
Tea	167,838	285,060
<i>Metals and Metalware :</i>		
Hardware and cutlery	47,541	52,651
Copper	83,614	66,943
Iron	105,726	66,018
<i>Chemicals, Drugs, &c.</i>	57,875	57,865
<i>Raw materials :</i>		
Gums and resins	73,611	60,922
Ivory (unmanufactured)	125,543	149,457
Silk	33,951	40,024
Wool	693,527	624,681
<i>Manufactured Goods :</i>		
Cotton twist and yarn	91,382	83,801
Cotton manufactures, piece goods, &c.	1,728,358	1,710,493
Silk manufactures	57,758	64,677
Woollen manufactures	50,349	65,120
Apparel	103,457	102,503
Glassware	32,024	34,317

65. Bombay and Sindh have between 94 and 95 per cent of this trade, of which a large proportion is conducted with the East Coast of Africa and Asiatic countries lying east of Suez and west of Bombay.

The countries with which the trade is chiefly carried on are stated below :—

	1889-90. Rx.	1890-91. Rx.
United Kingdom	1,178,757	1,063,392
Persia	1,225,603	1,319,957
Straits	271,830	259,772
East Coast of Africa, Zanzibar and Mozambique	372,627	390,864
Arabia	222,214	243,255
Turkish Arabia	253,424	237,638
Aden	132,025	148,834
China	135,244	144,462
Ceylon	118,986	142,547
Mauritius	110,901	75,889

66. There was a considerable diminution in the re-exports of sugar, spices, copper, iron, wool, cotton yarn and woven goods—in fact, in all the main articles of the trade. Tea, brought from Java and China, was however largely re-exported to the Persian Gulf by way of Bombay, the exports amounting to over 3,000,000 lbs. The quantity of Indian tea shipped to the same place was much less than half that quantity.

II. EXPORTS OF INDIAN MERCHANDISE.

67. The figures for the last ten years are as follow :—

	Rx.	Increase or decrease per cent.		Rx.	Increase or decrease per cent.
1881-82	79,255,243	+ 10·1	1886-87	84,908,995	+ 5·2
1882-83	80,598,155	+ 1·7	1887-88	86,370,022	+ 1·7
1883-84	85,085,720	+ 5·5	1888-89	92,642,735	+ 7·2
1884-85	80,313,208	— 5·6	1889-90	99,101,055	+ 7
1885-86	80,734,731	+ 0·5	1890-91	95,902,193	— 3·2

68. In reviewing the trade of 1889-90 it was noted that “the increase of the year was in the main the result of a greatly augmented value of seeds, jute, and cotton. In the case of seeds and jute the increase was due to higher prices, for the quantity of jute shipped was actually smaller than in the preceding year and that of seeds but very slightly larger.”

The conditions were reversed last year, all the three articles giving greatly reduced values, the result in the case of cotton and seeds of a smaller quantity exported and in the case of jute of a heavy fall in price accompanied by an increase in the quantity exported. The reduction in the value of these three articles amounted to nearly Rx. 4½ millions; the total reduction in the export trade being not quite Rx. 3,200,000.

69. The most important articles are set out below, the ratio of increase or decrease in the value of the year's trade being set out against each :—

Increases.		Decreases.	
	Per cent.		Per cent.
Cotton yarn and woven goods	14	Coffee	2'3
Grain and Pulse	18'2	Cotton, raw	11'6
Hides and Skins	3'8	Indigo	20'4
Lac	59'96	Other Dyes	16
Oils	1'4	Jute, raw	12
Provisions	1'4	Jute, manufactured	11
		Opium	8'4
		Seeds	12
		Silk, raw	18'5
		Sugar	54'4
		Tea	1'1
		Wood and timber	35'9
		Wool, raw	10'8

Thus it will be seen that of articles of the first importance only grain and pulse and cotton goods and yarns gave improved results in the year.

70. Grouping the items as in the trade returns the values of the trade in each group for each of the last five years are as follows in Rx. :—

	1885-87.	1887-88.	1888-89.	1889-90.	1890-91.
1. <i>Animals, living</i> ...	87,632	134,182	112,146	98,085	122,278
2. <i>Articles of food and drink</i>	25,873,391	23,829,697	24,841,910	25,354,123	27,785,219
3. <i>Metals and manufacture of metal.</i>	49,660	54,943	53,523	63,273	61,144
4. <i>Chemicals, drugs, medicines and narcotics, and dyeing and tanning materials.</i>	15,741,045	15,107,943	15,585,461	14,990,805	13,283,220
5. <i>Oils</i> ...	458,812	471,055	430,306	543,945	551,903
6. <i>Raw materials and un-manufactured articles</i>	33,366,691	35,600,153	38,509,911	44,291,911	39,497,900
7. <i>Articles manufactured and partly manufactured.</i>	9,331,764	11,172,047	13,109,477	13,758,912	14,600,528

The first and third of these groups are not, and are not likely to be within any measurable period, of any importance. The fifth group is also of comparatively small importance, but it is possible that it may assume large dimensions in some future day when the export of oilseeds shall be replaced by the export of the oil expressed from them in India.

71. Looking at the other groups we find that the export of articles of food and drink makes but slow progress, if any. Last year's exports of rice were exceptionally large owing to an exceptional demand: the present year's exports of wheat may also be exceptionally large for the same reason; but looking at the grain trade for a series of years the exports shew no tendency to expand. Coffee also does not increase, nor do spices; sugar is declining; and tea is now advancing with slower steps.

This group has increased only between 7 and 8 per cent in five years, and most of the apparent increase is due to last year's exceptional export of rice.

72. The fall in the value of Opium has resulted in a heavy decline in the group of Chemicals, Drugs, &c., of which Opium constitutes the bulk; nor does Indigo, the only other important item in the group, offer any compensation.

This group has declined about $15\frac{1}{2}$ per cent in the five years.

73. The progress of our export trade is in fact practically limited to the two groups of raw materials and manufactured articles. In both of these, but especially the latter, the advance is very satisfactory. The progress made in the manufacture of cotton and jute has in five years raised the value of this group by over 56 per cent. The group of raw materials has increased by about 18½ per cent, but the failure of rapeseed last year conceals the real rate of increase which may be taken to be substantially larger.

The following paragraphs will briefly summarise the features of the trade in the important articles comprised in each group

74. Notwithstanding the stimulus of prices in the European market which have ranged very high during the last few years, and still continue to range high, the exports of coffee do not increase as will be seen from the figures subjoined :— *Coffee.*

	Cwt.	Rx.
1886-87	370,458	1,502,251
1887-88	273,775	1,529,680
1888-89	365,299	1,884,243
1889-90	239,795	1,489,872
1890-91	233,451	1,454,985

The trade during the last decade remained stationary until the last three or four years when it began to decline, although helped by high prices in London and the low rate of exchange which, it is still supposed by some, is advantageous to the tea and coffee planter. Indian coffee, however, has doubtless difficulties to contend with. Unlike Indian tea, it is not superior to the coffee of other countries with which it competes in Europe, and the ravages of leaf-disease have been very serious.

75. This was an exceptionally fortunate year for the rice trade, exports having increased by no less than 29 per cent. *Rice.*

This unprecedentedly large shipment was due to the failure of the rice harvest of Japan. That country was not only unable to ship rice to the European and American markets where Japanese rice competes with ours, but had an insufficient supply for her own needs, so that we actually exported thither direct as much as 65,400 tons (more going *via* the Straits), a circumstance which has not happened since 1876 when we exported a small quantity of 640 tons. The Java rice crop was also a partial failure, and production was more or less restricted in other parts of Eastern Asia.

The total exports from each province last year and in each of the ten preceding years are given below :—

Exports of Rice (husked) in cwt. (000's omitted).

	Burma.	Bengal.	Madras.	Bombay.	Sindh.	Total for India.	Value Rx.
1881-82	18,690	7,617	1,549	614	49	28,519	8,249,577
1882-83	21,249	7,838	1,319	552	71	31,029	8,440,091
1883-84	16,994	7,394	1,843	521	80	26,832	8,328,879
1884-85	13,507	6,035	1,403	677	80	21,702	7,122,787
1885-86	19,084	6,879	1,181	521	149	27,814	9,167,189
1886-87	18,216	5,902	1,564	639	139	26,460	8,764,809
1887-88	17,879	7,996	1,438	764	72	28,149	9,225,109
1888-89	14,205	6,417	1,538	589	19	22,768	7,845,350
1889-90	18,259	5,992	1,654	799	70	26,774	10,047,331
1890-91	24,581	7,928	1,210	646	109	34,474	12,773,628

G.

The table shows that the trade has made no progress during the ten years. The trade of last year was due to exceptional circumstances, and it is likely that the exports of the present year will fall much below the level of last year's trade. From Madras exports greatly diminished last year and they are still smaller this year, owing to a failure of harvests in certain districts which has not only reduced exports but required considerable imports from other parts of India.

Exports from Burma increased by over 34 per cent and from Bengal by over 32 per cent, the augmentation in each case furnishing striking proof of the value of a foreign demand for rice in encouraging the growth of the grain and the maintenance of a reserve which can be diverted for home consumption when necessary. This is what is happening at present, the surplus rice of Bengal going largely to Madras to supply deficient stocks there.

The countries to which Indian rice was exported in the last two years are these :—

		Cwt. (000's omitted).	
		1889-90.	1890-91.
<i>Europe :</i>			
United Kingdom	5,177	4,299	
Malta	953	2,317	
France	207	134	
Egypt	7,398	9,700	
Germany	176	310	
Other countries	66	49	
TOTAL	13,977	16,809	
<i>Asia :</i>			
Ceylon	3,270	3,711	
Straits	3,916	6,451	
Japan	Nil.	1,308	
Arabia and Aden	1,191	1,240	
Persia and other countries	346	324	
TOTAL	8,723	13,034	
<i>Africa :</i>			
Mauritius, Réunion, and Eastern Coast	2,014	2,328	
Other countries	256	258	
TOTAL	2,270	2,586	
<i>America :</i>			
West Indies	269	329	
South America	1,426	1,493	
Canada	53	75	
United States	Nil.	71	
TOTAL	1,748	1,968	
<i>Australia</i>	56	77	

The countries which took largely increased quantities of rice were the Straits, Japan, Ceylon, Egypt and Malta (the rice shipped to these two last mentioned places being intended for other destinations ultimately), and Mauritius.

It was anticipated last year that the importation of Indian rice into Italy might be diminished in consequence of an amendment in the tariff enhancing the duty on rough rice. It is not possible to furnish figures which will shew how far this has been actually the case, for most of our rice reaches Italy *via* Port Said or Malta, but the subjoined remarks extracted from a report by the British Consul at Genoa shew that the anticipation was correct : —

" Another protectionist measure, which has operated distinctively on a Genoese industry of importance is the change in the tariff regulations in the rice trade. There was a large and increasing business done here in rice cleaning, and the import of Burma and Japan rice had risen to no less than 80,000 tons in 1889, whereas the whole trade has, by these measures, been simply annihilated, not one cargo having been imported in 1890. These measures were adopted at the instigation of, and to conciliate the rice growers of Upper Italy, but I am informed that they have not been benefited by them even in the smallest degree, and it is certain that Genoa has lost an industry which gave useful employment to capital, labour, and shipping."

The Consul at Venice also writes: " The import duty recently enforced on foreign rice and the abolition of the drawback tend only to protect a small class of agriculturists, to give a death-blow to Italian millers, and to remove the rice trade from this port."

India has not so far felt the loss of this trade, the rice shut out of Italy having been taken by other European countries, the increase of trade with which has more than compensated for the loss of the Italian trade: it will be seen from the foregoing table that our exports to Europe (including Egypt) increased by 20 per cent in the year. It is likely enough that the real ultimate effect of the Italian tariff arrangements will be to restrict and injure the rice cleaning industry in that country and to give an incentive to the same business in Burma, to the benefit of our rice mills. Rice is now cleaned in Burma before shipment in larger quantity every year. Five years ago only a third of the whole export was cleaned: last year the proportion was more than half (52 per cent). It is a manifest economic advantage to the country that rice should be cleaned before shipment instead of being cleaned in the country which takes it: a great saving is effected in freight, a better price is obtained for an article which can be thus treated more cheaply in a Burma mill than in Europe, Indian labour is largely and usefully employed, and the husk of the rice is fully utilised to produce the motive power of the mills.

In connection with this subject of the progress of the rice milling industry the following quotation from Messrs. Fraser & Co.'s Annual Review of the Rice Trade will be found of interest :—

" *Cleaned rice.*—Again, the chief feature in connection with the cleaned rice trade is the continued increase in the shipments from Burma, which, as we have frequently pointed out, are destined to exterminate the home industry. Continental millers, under the existing compact with the Burma shippers, continue to enjoy a fair share of the trade, protected as they are from the invasion of Burma supplies, but we are convinced this artificial state of matters cannot be much longer maintained, and sooner or later (we fear sooner) the cleaning trade of Germany, Holland, and Belgium (the latter suffering severely of late from the increased duty levied in France where considerable quantities of Belgian cleaned rice were sold) must follow the decay and extinction which has already to a great extent overtaken that of London and Liverpool. As a melancholy proof of the foregoing, we may mention that the London millers have not cleaned one cargo of rough Burma rice during the whole year just closed, being obliged to confine their attention to Bengal and other descriptions, with an occasional re-milling of the imported Burma cleaned, which for fine

samples is still necessary, the imported rice being as a rule not above the ordinary shipping quality. However, even this minor portion of the home milling trade will doubtless soon be performed in Burma. An additional incentive to the Burma milling trade of 1890 was the demand for Japan, consequent on the failure of the crop in that country causing values to rise far above the European level; but, as already mentioned, this was of short duration, and such was the sudden change that cleaned rice loaded at Rangoon and destined for Japan was re-directed to Europe at great sacrifice. "The total quantity of cleaned rice shipped from Burma, including cleaned broken rice and meal, during the year amounted to 618,021 tons against 421,988 tons in 1889."

Wheat.

76. Unlike rice, of which at least half is shipped to Asiatic countries and to colonies which take Indian coolies, the great bulk of the wheat exported is shipped to Europe, very trifling quantities going to Asiatic countries and the African coast.

Like the trade in rice, this trade has made no appreciable advance in the ten years; but unlike that trade, which keeps fairly steady within certain limits, the wheat trade is subject to violent fluctuations. Our rice actively and, on the whole, successfully competes with the rice of other countries and with a number of other grains—oats, rye, maize, and with beet and potatoes. It is used for food, for distillation, and the manufacture of starch; the demand is on the whole sufficiently constant; and the export is affected more by the conditions of supply and the level of prices in India and Burma than by fluctuations in the foreign demand, for though exceptional conditions cause the demand suddenly to increase, there are practically no conditions which would be likely to cause a sudden and material decline in the demand. With wheat the case is different. It does not compete with the wheat of other countries and is required only to supplement deficiencies. Apart, therefore, from internal conditions which affect the supply, the exports are subject to violent fluctuations arising out of the uncertainty of the demand. In one year the demand will be very large, as in 1886-87, when we exported over $22\frac{1}{4}$ million cwt., and in the next following year we find the exports reduced to the lowest point they have reached, $13\frac{1}{2}$ million cwt., owing to abundant supplies from Russia, the United States and other wheat-exporting countries, and to deficient harvests in India which raised prices above a profitable level for exporters. Then, with a continuance of the same causes, and the occurrence of good harvests in England, followed a series of three years of low exports, but in the present year we shall probably export a comparatively large quantity, in consequence mainly, as in 1886-87, of the failure of the Russian harvests and of very good harvests in Northern India.

The quantity exported in the last four years has been, it will be seen from the subjoined table, an annual average of under 741,000 tons. The average for the whole decade is under 867,000 tons a year. Taking $1\frac{1}{2}$ lbs a day to be the quantity of food-grains consumed by an adult male, this export of 867,000 tons yearly means the export of a quantity which would have fed 3,547,000 persons, or say 1·4 per cent of the population according to the census of 1881 and 1·2 per cent according to the census of 1891. This quantity is also not more than between 12 and 13 per cent of the average quantity of wheat produced in India if the estimates of agricultural produce are to be depended on, but such estimates have been so repeatedly found to be erroneous that it would be safe to say that the exports are in fact not more than 10 per cent of the total production. The relative steadiness of the rice trade compared with the violent fluctuations in the wheat

trade is also influenced by the fact that while rice, in addition to being required for food, is also required for industrial purposes—distillation and the manufacture of starch—wheat is required mainly for the single purpose of food and in only a smaller degree for the manufacture of starch.

The subjoined table gives the exports of wheat from India for each of the last ten years:—

			From Bengal.	From Bombay.	From Sindh.	From Burma and Madras.	Total exports.	Total value.
			Cwt.	Cwt.	Cwt.	Cwt.	Cwt.	Rx.
1881-82	...	...	6,668,047	11,328,585	1,852,334	14,554	19,863,520	8,604,081
1882-83	...	...	4,439,405	6,957,752	2,732,275	14,975	14,144,407	6,068,934
1883-84	...	...	7,611,535	8,970,603	4,372,832	1,525	20,956,495	8,877,561
1884-85	...	...	2,563,204	8,993,108	4,270,860	3,582	15,830,754	6,399,140
1885-86	...	...	4,189,672	10,608,680	6,241,017	21,150	21,060,519	8,002,350
1886-87	...	...	7,037,957	12,606,144	2,613,748	5,471	22,263,320	8,625,864
1887-88	...	...	4,334,768	8,541,621	660,758	1,022	13,538,169	5,562,373
1888-89	...	...	2,950,985	10,654,163	4,004,039	894	17,610,081	7,522,676
1889-90	...	...	1,550,839	5,146,881	7,100,282	1,222	13,799,224	5,791,377
1890-91	...	...	1,340,355	6,212,143	6,767,300	698	14,320,496	6,042,426

The wild exaggeration of the statements recently made regarding the effect of the export trade in wheat on the food stocks of the country and the outrageous absurdity of the proposals made to restrict or prohibit exports when prices reach a high level require no further demonstration than the figures here given.

In this place a reference to the exports of flour may fittingly be made. The trade is still of small dimensions, the exports of last year reaching only 21,000 tons of which a little more than a fourth was sent to Aden.

A comparison of the table with the table of exports of rice shews that during the last ten years the largest quantity of wheat exported was but little more than the smallest quantity of rice exported.

77. The only other food-grains exported in any quantity are *jowar* and *bajra*, and the trade in these millets is still quite inconsiderable, the exports last year, which are the largest we have yet had, amounting to not more than 54,800 tons. A large proportion of the exports was sent to Abyssinia, with which the trade increased considerably last year. The trade is doubtless due to the Italian occupation of Massawwah, and its increase in the year must have been caused by local conditions of scarcity, but these have not been ascertained. Besides Massawwah, these millets go most largely to Aden and the Arabian Coast, to Egypt, and from Karachi to the adjacent coast of Mekran and Sonmiani. Small quantities were sent also to France and Belgium where, it is said, they were required for distillation, being cheaper than maize. The export for this purpose has greatly increased during the present year in consequence of the prohibition of the export of rye from Russia.

Pulse and gram.

78. The export of pulse, which seemed four or five years ago to give promise of considerable expansion, has not realised what was expected from it, and the trade has fallen to very small proportions, not more than about 15,000 tons having been exported last year. The exports of gram also were much about the same level. Both these foodstuffs are taken mainly by Mauritius, Ceylon, and the Straits where they are consumed by the resident Indian population.

Sugar.

79. The change which has taken place in this trade, exports being now less than the imports, has been noticed in the first chapter of this review, and it is only necessary here to draw attention to the subjoined figures shewing the trade in the last eight years :—

	Refined. Cwt.	Raw. Cwt.
1883-84	203,693	1,426,827
1884-85	55,323	1,015,596
1885-86	24,942	1,142,598
1886-87	33,340	953,066
1887-88	37,723	1,008,565
1888-89	34,523	978,955
1889-90	111,323	1,309,321
1890-91	28,768	795,973

Last year's trade was very small, but it followed on a year of comparatively large exports caused by speculative fluctuations in prices in Europe. No doubt the trade was temporarily disarranged by the conditions of exchange last autumn. In unrefined sugar, which is the great bulk of the trade, the decline amounted to 39 per cent. This is almost altogether a Madras trade, Bengal now having practically ceased to export sugar and Bombay exporting but little. A bad season and the state of exchange combined with the competition in Europe of beet sugar to bring the trade down very low. It has been doing better since the close of the year.

Tea.

80. The exports amounted to 107,014,993 lbs., which was but little more than 3 per cent in excess of the quantity exported in the previous year. This is a slower rate of progress than has been made in previous years, but possibly the present year may see a further advance.

The exports of the last eight years are given below :—

	(000's omitted).	
	lbs.	Rx.
1883-84	59,912	4,083,880
1884-85	64,162	4,044,759
1885-86	68,784	4,306,133
1886-87	78,703	4,727,992
1887-88	87,514	5,174,440
1888-89	97,011	5,267,315
1889-90	103,760	5,277,650
1890-91	107,015	5,219,233

The heavy fall in price which marked the year 1889-90 was succeeded by a further fall last year for the higher qualities of tea, the fall occurring during the months when exchange was rising. The average prices realised at the

auction sales in Calcutta during the last three years were as follow, in annas and pie per pound :—

	1888-89.	1889-90.	1890-91.
Orange (and broken orange) Pekoe	12-4	11-8	11-2 $\frac{3}{4}$
Broken Pekoe	10-3	9-9	8-10 $\frac{3}{4}$
Pekoe	8-1	7-5	7-2
Pekoe Souchong	6-3	5-7	5-8 $\frac{1}{4}$
Broken ditto	5-10	5-0	5-3 $\frac{1}{2}$
Pekoe Fannings	6-6	5-7	5-10
Other low class	4-11	4-8	5-2

The London market continues to absorb the bulk of the exports, but there is a noteworthy increase in the exports to Australia which have more than doubled in four years: An export of five million pounds is not much after ten years of exertion to secure a market in colonies which consume tea very largely, but it may be taken as an indication that the merits of Indian tea are now understood there and that the Australians will no longer be content to drink China tea merely because it is cheap.

The exports are as follows, in pounds (ooo's omitted) :—

	1887-88.	1888-89.	1889-90.	1890-91.
United Kingdom	84,182	93,222	98,731	100,209
Australia	2,472	2,880	3,419	5,119
Persian Gulf	324	467	1,200	1,311
United States	54	155	103	79
Canada	...	14	85	61
China	6	19	33	61

While the imports of Indian tea into England continue to increase, those of Chinese tea continue to diminish, but while China is being gradually but surely thrust out of the English market, another and perhaps a more formidable competitor has stepped in. The advance made by Ceylon tea in recent years is little short of marvellous. It is interesting to note how completely the position in England of Indian and Ceylon teas with respect to China tea has been reversed. Seven years ago the imports of China tea were more than double the imports of Indian and Ceylon teas. At the end of seven years we find the imports of China tea to be about half the imports from India and Ceylon. The following are the imports from India, Ceylon, and China into England in the last seven years (quantity stated in lb, ooo's omitted) :—

	From India.	From Ceylon.	From China.
1884	63,208	2,211	143,771
1885	64,382	4,242	139,673
1886	73,467	7,144	145,308
1887	84,645	13,062	119,799
1888	89,874	22,509	105,735
1889	95,384	32,673	88,558
1890	101,771	42,491	73,743

Thus India and Ceylon furnished last year two-thirds of the imports, India's share being about 45 $\frac{1}{2}$ per cent, while China furnished only one-third. Twenty years ago China's share was as much as 88 per cent; but twenty years ago Ceylon sent no tea to England and it had only one per cent of the imports as lately as 1884. It is said, with reference to the remarks in paragraph 21 of

this review, that the quality of Ceylon tea is deteriorating and, with a poor soil, will continue to deteriorate; and that therefore the Indian planter has nothing to apprehend from his Ceylon competitor. It is undesirable to be over confident in commercial competition, and it may be expedient to reflect that the Ceylon planter, who has already made such a success of his business, is hardly likely to make the mistake which is destroying the Chinese tea industry. There is also no sufficient evidence as yet that quality is deteriorating: on the contrary, Messrs. Stenning and Inskip, in their review of the tea trade of 1890, say in regard to Ceylon tea: "Quality has shewn a distinct improvement on that of last year, the fermentation having been better than hitherto. Flavoury teas have commanded very satisfactory prices."

Opium.

81. The exports were—

	Chests.	Rx.	Average price. Rs.
1882-83 .	91,798	11,481,376	1,251
1883-84 .	91,963	11,294,460	1,228
1884-85 .	86,578	10,882,606	1,257
1885-86 .	87,956	10,735,518	1,220
1886-87 .	95,839	11,077,669	1,155
1887-88 .	90,096	10,067,764	1,117
1888-89 .	87,789	10,508,081	1,197
1889-90 .	85,166	10,115,936	1,188
1890-91 .	85,753	9,261,814	1,080

The fall in price in Bengal opium, about 100 rupees a chest, was heavy, and the fall in Malwa opium was heavier still, about 118 rupees a chest, the quantity exported having also declined:

	1889-90. Chests.	1890-91. Chests.
Exported from Bengal . . .	55,985	57,597
„ Bombay . . .	29,181	28,156

Average price—

	Bengal. Rs.	Bombay. Rs.
1889-90 . . .	1,138	1,283
1890-91 . . .	1,038	1,165

The exports were thus distributed:

	1887-88. Chests.	1888-89. Chests.	1889-90. Chests.	1890-91. Chests.
China—Hong-Kong	59,508	56,166	54,272	52,566
„ —Treaty Ports	17,307	16,725	15,830	18,289
Straits . . .	12,368	13,995	13,749	13,915
Cochin-China . .	670	725	1,050	480
Other countries .	243	178	265	503

Indigo.

82. The exports of the last ten years were as follow:—

	Cwt.	Rx.		Cwt.	Rx.
1881-82 .	150,363	4,509,080	1886-87 .	138,396	3,691,677
1882-83 .	141,041	3,912,997	1887-88 .	139,644	3,890,649
1883-84 .	168,590	4,640,991	1888-89 .	142,447	3,948,594
1884-85 .	154,629	4,068,900	1889-90 .	157,116	3,863,084
1885-86 .	132,495	3,783,160	1890-91 .	118,425	3,073,125

There was a large reduction in the exports from Madras as well as from Bengal last year, but though this was the consequence of seasonal conditions which resulted in a very deficient crop, it seems from the figures of the trade for the last decade that no mere seasonal vicissitudes can account for the want of vitality in this trade, but that a decreasing demand must also be reckoned with. The decline in the demand does not arise from the competition of indigo from other countries, for India still supplies almost the whole of the indigo used by dyers, Central America and other countries supplying comparatively very small quantities. It may arise perhaps in some small measure from the growing disuse in the European Continent, in Egypt, Persia, and other countries of blue shirts or blouses; but it is probable that the real cause lies in the substitution of aniline and alizarine dyes, the use of which has greatly developed with improvements in tints, lasting quality, and cheapness of cost. If this is so, the indigo planters of India must face the prospect of a permanent reduction in price or a material restriction in the dimensions of the trade. These artificial dyes, which are fast superseding our ordinary dyes in India itself, are certainly also beginning to supersede our finer dyes in European dye-houses, for in none of them does trade shew any vitality. Lacdye and manjit (Indian madder) have practically disappeared from the market. Safflower is still exported, chiefly to China and the Straits, not for dyeing purposes however, but for the preparation of rouge, and, by the way, it comes back to India in that form for use by professional and amateur actors and actresses,—and others. Turmeric is exported quite as much for its use in laboratories as a test and re-agent and for the colouring of syrups, confectionery, &c., as for a dye for textile fabrics.

Myrabolams and cutch are used rather as tanning than as dyeing material, the latter being used moreover as a drug and in perfumery. It may be said, indeed, that, as regards dyes pure and simple, our exports are limited to indigo, and that, as has been shewn, does not progress. For local consumption also the indigenous dyes are gradually, and not slowly, being thrust out of the market by the ever-increasing quantities of aniline and alizarine dyes which we import.

83. Only two kinds are of any importance, castor and cocoanut. The former increased a good deal in the year and the latter, which is not, however, a large trade at the best, declined.

Oils.

84. This small trade has not maintained the advance made in 1889-90, and during the present year the export has fallen to a low point. A trade like this is largely dependent upon the conditions of the freight market, and unfortunately for some time past it has been more profitable for vessels to carry rice from Calcutta to Madras than to take coal to other places. The exports of the last three years have been—

Coal.

	Tons.
1888-89 . . .	15,796
1889-90 . . .	39,972
1890-91 . . .	26,336

The coal is taken mainly to Ceylon, the Straits, Java, and Mauritius. It is possible that Bengal coal may in the future become a considerable article of export, that province having produced 1,626,000 tons in 1890 and being capable of producing perhaps ten times as much annually, but it is useless to think of an

export trade when we still import as much as three-quarters of a million tons of English coal for consumption in provinces to which as yet Bengal or other Indian coal cannot find easy access. It is sufficient for the present that we are able, from our mines, to supply two-thirds of our own requirements. When we are able to supply them all, which is a question of transport, not of production, we may begin to look round for an export trade.

Cotton.

85. The exports of the last ten years have been as follow (in cwt., 000's omitted) :—

	Cwt.	Rx.		Cwt.	Rx.
1881-82	5,627	14,935,959	1886-87	5,433	13,468,429
1882-83	6,168	16,049,017	1887-88	5,374	14,412,842
1883-84	5,979	14,383,728	1888-89	5,331	15,045,647
1884-85	5,066	13,286,367	1889-90	6,320	18,668,404
1885-86	4,190	10,777,204	1890-91	5,914	16,502,775

This trade has not increased largely in the decade, but it must be remembered that a constantly increasing quantity is required for the Indian cotton mills. The number of mills in this period has been doubled, having increased from 62 to 125 ; the number of spindles has also been doubled, having risen from 1,551,000 to 3,198,000 ; and the number of looms has increased from 14,386 to 23,795. It would seem, in regard to the export trade in cotton, that the fluctuations in the trade are due more to the relative abundance or scarcity of the yield than to any material variation in the demand. Last year's exports were on a large scale, though not equal to those of the preceding year, which were the combined result of an exceptionally large crop and an exceptionally good demand which gave very profitable results. The Continent of Europe is of much more importance to us than England as a consumer of Indian cotton, as will be seen from the figures appended against the countries to which our cotton is shipped, and it must be noted further that half of the quantity shipped to England is ordinarily reshipped to the Continent—

	Cwt. (000's omitted.)			
	1887-88.	1888-89.	1889-90.	1890-91.
United Kingdom	2,140	1,776	2,166	1,520
Italy	774	781	957	823
Austria	688	755	741	719
Belgium	676	873	941	907
France	487	549	635	688
Germany	139	190	486	810
Russia	134	150	94	82
Spain	45	72	72	115
China	202	139	125	119

Altogether we shipped last year 4,157,370 cwt. to the Continent, being 70 per cent of the whole exports. To England we shipped only 1,520,022 cwt., being under 26 per cent of the whole exports. As about half of the cotton sent to England goes thither only on its way to the Continent, it may be said that the English share of our exports is not more than about 12 per cent, the Continental share being 82 per cent. The remainder finds its way chiefly to China, Japan, and the Straits. The reason why England takes such a trifling proportion of our cotton now is that our mills have destroyed the trade the Lancashire mills

had in the spinning of coarse yarns and the weaving of coarse goods for India and the East. England therefore requires but little of the short-stapled Indian cotton which is useful for such classes of goods, but takes larger quantities of the longer staple of the United States, Egypt, and Brazil. Thus, last year the imports of Indian cotton into England were only about one-eighth of the whole imports. It is said, indeed, that much of the machinery in the English mills is now adapted to the treatment of the long staple and is not suitable for our shorter staple. In the Continental mills, on the other hand, our short staple is in demand for the manufacture of the coarse cotton clothing of the peasantry and work people.

It is of some importance to bear these facts in mind in view of the efforts that are intermittently made to induce or coerce the Indian cotton grower to substitute for the easily grown short-stapled cotton for which he finds a ready market a more troublesome longer staple, the market for which, at a profitable price, in competition with other long staples, would be doubtful. These efforts seem to be based on the erroneous assumption that England is the only or chief recipient of our cotton.

The centre of this important trade, both as regards manufacture and exportation of the raw material, is in Bombay, whence 77 per cent of the exports were made last year :—

	Cwt. (000's omitted.)			
	1887-88.	1888-89.	1889-90.	1890-91.
Bombay	3,929	4,198	4,819	4,562
Madras	658	595	862	847
Bengal	618	375	452	355
Sindh	131	130	144	121
Burma	37	32	42	28

The value of the trade fell in nearly double the proportion of the decline in quantity, this being mainly the consequence of the extraordinary fluctuations of exchange during a part of the year.

86. There was a substantial increase in the export of hides, though the trade is still much smaller than it was some years ago. The increase in the export of skins was very large, the demand for goat skins, according to the Calcutta Customs authorities, having been very active. The increasing manufacture of leather in this country must to some extent restrict the export of hides, though a season of drought, which is always accompanied by great mortality amongst cattle, would at once lead to an increase of exports. The numbers exported have been—

	Hides.	Skins.
1885-86	8,607,724	4,947,579
1886-87	8,493,384	4,077,259
1887-88	6,817,653	3,817,124
1888-89	6,606,142	4,356,561
1889-90	6,454,895	3,906,711
1890-91	6,803,566	5,377,855

The number of hides exported averaged nearly 7,300,000 annually in the last six years.

Jute.

87. Exports in the last ten years (cwt., 000's omitted)—

	Cwt.	Rx.
1881-82 .	7,510	5,030,302
1882-83 .	10,349	5,846,926
1883-84 .	7,018	4,592,635
1884-85 .	8,369	4,661,368
1885-86 .	7,782	4,355,362
1886-87 .	8,307	4,869,815
1887-88 .	9,643	6,040,379
1888-89 .	10,553	7,897,154
1889-90 .	10,256	8,639,861
1890-91 .	11,986	7,602,010

The declared export values of the last four years averaged—

	Rs.
1887-88 .	6.26 per cwt.
1888-89 .	7.5 "
1889-90 .	8.42 "
1890-91 .	6.34 "

Prices ruled very high in Calcutta for a considerable time in 1889-90, falling towards the end of the year with a rising exchange and a higher range of freights. Last year, with a very large export—the crop having been, it is said, the largest ever known owing to the stimulus to cultivation given by high prices as well as to a good season—prices fell, after much fluctuation aided in doing so by a rapidly rising exchange during a part of the year.

The destination of the jute has been as follows (cwt., 000's omitted):—

	1887-88.	1888-89.	1889-90.	1890-91.
United Kingdom .	6,313	7,498	7,079	6,745
United States .	2,331	1,682	1,804	2,716
Germany . . .	351	684	652	1,433
France . . .	54	161	233	295
Italy . . .	266	184	223	305
Austria . . .	183	203	110	317
Spain . . .	124	104	113	137

From the United Kingdom a substantial proportion (a little under a third) of the jute sent thither is re-exported mostly to the Continent as is the case with Indian cotton. Apparently the Continent will in future take more of its requirements direct as means of communication are developed. The increase in the exports of Germany recently, as a consequence of such development, is noticeable.

Manures.

88. The exportation of bones is proceeding on a scale which merits attention. The increase in the trade will be seen from the following figures:—

	Tons.	Rx.
1886-87 .	18,886	91,670
1887-88 .	26,325	132,750
1888-89 .	35,393	174,077
1889-90 .	44,400	242,749
1890-91 .	61,410	335,773

When we reckon the 14 or 15 million large cattle whose hides are exported, and the equally large number of small cattle whose skins are exported, and

consider the probably equal number whose hides are not exported, and the large number of animals, other than cattle, which die every year, it must be admitted that India is a great field for the collection of bone manure if the cultivator declines to make use of it. These bones are now exported from every province, though in but trifling quantity as yet from Burma, and at the ports mills have been established for crushing them to the annoyance of the people in the vicinity. It has been said by some authorities on agricultural questions that the best use to which the cultivator can put bones is to sell them: it would be interesting to know if he does really sell them, and what proportion of the recorded value of 33½ lakhs goes into his pocket.

89. Exports of ten years:—

	Cwt. (000's omitted.)	Rx:
1881-82	10,466	6,054,099
1882-83	13,139	7,200,336
1883-84	17,355	10,083,758
1884-85	18,251	10,745,203
1885-86	17,280	9,948,350
1886-87	15,866	9,198,560
1887-88	16,060	9,385,024
1888-89	15,570	9,561,750
1889-90	15,795	10,627,553
1890-91	14,799	9,343,252

The trade in the principal kinds of oilseeds was as follows in the last five years in cwt. (000's omitted):—

	1886-87	1887-88	1888-89	1889-90	1890-91
Castor	611	764	586	895	860
Earthnuts	946	1,262	828	1,394	1,525
Linseed	8,657	8,423	8,461	7,147	8,077
Poppy	613	456	730	483	678
Rape	2,660	2,081	3,061	3,904	1,555
Til or jinjili	2,114	2,747	1,537	1,775	1,847

On the whole this trade has not progressed since it reached its highest level seven years ago. In earthnuts alone has there been a real advance, and as that trade is of much more recent origin than the trade in any of the other kinds, it is possible that it may not have as yet reached its highest level as the others would seem to have done. The decline in the quantities of seeds exported last year was due to the failure of the rapeseed crop in the Punjab owing to absence of rain when the crop should have been sown. The area under the crop decreased by 49 per cent and the yield by 53 per cent. In the other kinds of seeds (except castor, in which the decline was trifling) there was an increase of substantial dimensions in the exports, but the decline of 2½ million cwt. in rapeseed was far greater than the aggregate increase in all the rest. The decline, which followed a very good year in the export of rape, is to all appearances about to be followed by another good year: the yield has been good and the exports to date are on a large scale.

The efforts to create a trade in cotton seed appear to have failed. In the three years for which figures exist the exports have fallen from 135,600 cwt. to 38,400 cwt., and (last year) again to under 19,000 cwt.

Silk.

90. Exports are as follow in lb (ooo's omitted) :—

	Reeled.	Chasam (waste).	Cocoons.	Total value in Rx.
1883-84	673	886	44	627,612
1884-85	531	953	83	463,791
1885-86	358	1,024	57	332,251
1886-87	449	1,020	114	484,339
1887-88	453	998	173	480,811
1888-89	433	1,314	374	518,751
1889-90	593	1,233	263	639,818
1890-91	503	1,112	146	521,069

About 21 per cent of the quantity exported consisted of wild silks (*tasar*, *muga*, &c.).

The trade did badly in the year, and the prospects of a revival of this once flourishing trade are not encouraging. Bengal silk is of small importance in the markets of the world. In the silk of the mulberry worm we find ourselves distanced by the superior qualities produced in France and Italy, Asia Minor, China and Japan; and the wild silks are received in Europe in much larger quantities from China than from India. Indeed, much more silk is imported into India from China than is exported from this country to all countries.

Teak timber.

91. Exports for the last ten years :—

	Cubic tons.	Rx.		Cubic tons.	Rx.
1881-82	56,377	506,792	1886-87	23,946	223,154
1882-83	59,187	611,260	1887-88	40,446	367,274
1883-84	46,471	525,447	1888-89	52,609	575,263
1884-85	47,556	532,129	1889-90	71,342	762,998
1885-86	50,076	550,515	1890-91	42,803	425,303

The heavy fall in the exports of the year is attributed by those concerned in the trade to the active competition of Siamese teak. If this is the case, it is some satisfaction to learn that the teak shipped from Bangkok was of such inferior quality that it has lost all reputation in the timber market. The immediate effect, however, of heavy shipments of inferior timber from Bangkok was, to quote the trade report of Messrs. Churchill and Sims, that "a very prosperous and promising trade was spoilt, avoidably or unavoidably. Although Burmese shipments have sustained their reputation, they have suffered in price from the general loss of character and value of teak. Largely owing to the unfortunate circumstances we have alluded to, the year has witnessed a heavy decline in values in spite of a moderate supply and an exceptionally good demand."

This decline in values practically stopped exports from Burma.

Wool.

92. The exports have been as follow :—

(ooo's omitted.)			(ooo's omitted.)		
	lbs.	Rx.		lbs.	Rx.
1881-82	21,581	814,551	1886-87	23,209	899,552
1882-83	21,561	790,406	1887-88	23,877	972,346
1883-84	20,036	755,841	1888-89	21,961	968,753
1884-85	18,928	713,576	1889-90	23,870	1,085,637
1885-86	23,149	872,321	1890-91	21,345	968,322

This is another trade which gives no indication of special progress in a ten years' review. The decline last year is attributed partly to short supplies to Karachi from the Punjab, but the exports were probably also affected by the two woollen mills which have commenced work in Bombay. The course of exchange during a portion of the year would, by lowering the price temporarily, have given them an opportunity of laying in wool to advantage, and it is stated that they took a million pounds. We have now five woollen mills in India, containing about 15,000 spindles and five or six hundred looms, but information on the subject is defective.

93. Coming now to manufactured and partly manufactured goods, the following figures indicate the relative proportions of each principal class of manufactures and the progress made in the ten years :—

	1881-82. Rx.	1890-91. Rx.	Increase or decrease per cent com- pared with 1881-82.
Cotton yarn and cloth	2,010,516	7,702,640	+ 283·1
Jute goods	1,097,589	2,481,961	+ 126·1
Silk goods	221,617	203,181	— 8·3
Woollen goods	196,683	104,166	— 47·04
Tanned hides and skins	1,918,973	2,535,363	+ 32·1
Lac	709,256	781,264	+ 10·15
Coir goods	182,114	194,801	+ 7·0
Apparel	58,524	103,429	+ 76·7

94. The quantity of cotton yarn exported has increased 450 per cent in the decade, being at the rate of 45 per cent annually. The increase last year was over 19 per cent :— *Cotton yarn.*

(000's omitted.)			(000's omitted.)		
	lbs.	Rx.		lbs.	Rx.
1881-82	30,786	1,368,836	1886-87	91,804	3,336,861
1882-83	45,378	1,816,818	1887-88	113,451	4,077,386
1883-84	49,876	1,926,162	1888-89	128,907	5,207,100
1884-85	65,897	2,441,101	1889-90	141,950	5,748,732
1885-86	78,242	2,755,252	1890-91	169,275	6,543,364

The exports of cotton piece goods in the same period have been (in yards, 000's omitted) :—

1881-82	29,890	1886-87	53,360
1882-83	41,534	1887-88	69,434
1883-84	55,564	1888-89	70,244
1884-85	47,908	1889-90	59,462
1885-86	51,528	1890-91	67,639

Here the increase in the decade has been at the rate of 126 per cent, being more than $12\frac{1}{2}$ per cent annually. The increase last year was between 13 and 14 per cent. This is a very rapid rate of increase, though far smaller than in the case of yarn.

The distribution of the exports in the last two years has been as follows :—

	Yarn lbs. (ooo's omitted).		Piece goods, yards. (ooo's omitted).	
	1889-90.	1890-91.	1889-90.	1890-91.
China	114,151	151,050	1,436	5,538
Japan	22,687	11,876	9	17
Aden	1,759	1,852	14,810	12,685
Straits	1,678	2,045	5,073	5,498
Asiatic Turkey	571	943	1,849	1,306
Java	374	533	...	...
Arabia	280	299	1,672	2,643
Persia	152	324	1,183	930
East Coast of Africa (Mozambique and Zanzibar).	59	46	21,526	25,509
Abyssinia	3	...	1,962	3,940
Ceylon	75	265	5,725	6,533
Mekran and Sonmiani	...	42 {	1,464	1,062
Other countries	161 }		2,753	1,978

The progress of the spinning and weaving industry in the last fifteen years is shewn in the table appended :—

Year.	Number of mills.	Number of spindles.	Number of looms.
1876-77	47	1,100,112	9,139
1881-82	62	1,550,944	14,386
1886-87	90	2,202,602	16,926
1890-91	125	3,197,700	23,795

The mills are located as follows :—

	Mills.	Spindles.	Looms.
Bombay Presidency	89	2,330,468	18,192
Bengal (suburbs of Calcutta).	8	297,448	...
Madras	8	173,152	555
North-Western Provinces	5	135,842	2,141
Punjab (Delhi)	2	21,642	154
Central India (Indore).	1	26,036	464
Central Provinces	3	72,080	805
Hyderabad	3	52,038	549
Berar	1	16,580	214
Mysore	2	29,262	187
Pondichery	2	23,152	534
Travancore	1	20,000	...

Upwards of 112,000 persons are stated to have been employed in the mills at the end of 1890-91 and the capital invested is returned at Rx. 11,155,000, but several of the mills, private concerns, make no return of their capital, the figures being confined to mills worked by joint stock companies.

Jute.

95. The value of the exports of manufactured jute in the last ten years has been :—

Rx.	Rx.
1881-82	1886-87
1882-83	1887-88
1883-84	1888-89
1884-85	1889-90
1885-86	1890-91

The value of the trade has increased by 126 per cent in the decade.

The exports of gunny-bags and cloths in the last ten years have been as follows, the quantities being stated in numbers for bags and yards for cloth, 000's being omitted in both cases :—

	Bags.	Cloth.		Bags.	Cloth.
1881-82 .	42,073	989	1886-87 .	64,570	12,799
1882-83 .	60,738	4,601	1887-88 .	74,368	13,683
1883-84 .	63,646	7,049	1888-89 .	99,790	15,160
1884-85 .	82,779	15,344	1889-90 .	97,416	37,144
1885-86 .	63,760	20,154	1890-91 .	98,749	29,854

The industry is practically concentrated in Lower Bengal and in the vicinity of Calcutta. The statistics of these Bengal mills are given as follows for the last ten years :—

	Mills.	Spindles.	Looms.
1881-82 .	19	87,071	5,464
1882-83 .	18	92,033	5,413
1883-84 .	21	108,802	5,919
1884-85 .	22	127,892	6,706
1885-86 .	23	125,578	6,612
1886-87 .	22	132,907	6,787
1887-88 .	23	143,566	7,255
1888-89 .	24	149,937	7,681
1889-90 .	25	159,219	8,163
1890-91 .	24	159,115	7,963

96. The mills employ 60,739 persons, and the capital invested in them is, as far as is known, some of the mills being private concerns the owners of which decline to state their capital, about Rx. 3,104,500.

The exports of tanned hides and skins (mainly from Madras) in the last five years have been as follow, most of the exports being to England :—

*Tanned Hides
and Skins.*

	Cwt.	Rx.
1886-87 .	238,955	2,337,926
1887-88 .	272,449	2,526,666
1888-89 .	272,960	2,614,102
1889-90 .	260,716	2,524,008
1890-91 .	272,376	2,535,363

The exports of shell and button lac increased very largely last year, but the exports of the two preceding years had been small. The trade is very speculative and fluctuating, and prices are immediately affected to a serious extent by the prospect of an abundant supply or the reverse.

Lac.

97. *Silks and Woollens.*—Both declined materially in the year. In neither is the trade of any importance.

98. From the subjoined table shewing the rate of increase or decrease in quantity and value in the year in all important articles it will be seen that in a large number of cases values declined in greater proportion than quantity,

and that where quantities increased values did not increase proportionately except in a few cases :—

Articles.	QUANTITY.		VALUE.	
	Increase +	Decrease —	Increase +	Decrease —
Coffee	...	2'64	...	2'34
Rice	29'02	...	27'37	...
Wheat	3'78	...	4'33	...
Other grain and pulse	4'23	...	...	1'15
Flour	...	3'16	...	3'83
Spices	7'86	...	...	1'95
Sugar (refined and unrefined)	...	41'94	...	54'47
Tea	3'14	...	...	1'11
Opium	0'69	...	...	8'44
Cutch	...	29'5	...	29'1
Indigo	...	24'6	...	20'4
Myrabolams	...	16'2	...	5'3
Castor oil	18'47	...	13'72	...
Cocoonut oil	...	32'5	...	30'06
Cotton, raw	...	6'4	...	11'6
Hides	1'2	...	1'8	...
Skins	60'15	...	38'7	...
Jute	16'87	...	...	12'01
Bones	38'3	...	38'3	...
Saltpetre	...	5'3	...	7'6
Castor seed	...	3'9	...	15'25
Earthnuts	9'4	...	7'8	...
Linseed	13'02	...	5'27	...
Poppy seed	40'5	...	28'85	...
Rapeseed	...	60'18	...	63'52
Til seed	4'01	...	3'6	...
Silk, raw (including chasam and cocoons)	...	15'75	...	18'56
Teak wood	...	40'0	...	44'26
Wool	...	10'58	...	10'8
Cotton twist	19'25	...	13'82	...
Piece goods (grey)	18'05	...	22'4	...
„ (coloured)	0'7	...	4'9	...
Gunny bags	1'37	...	...	7'86
„ cloths	...	19'6	...	28'27
Silk piece goods	...	14'05	...	25'5
Hides, dressed or tanned	1'95	...	...	7'85
Skins „ „	5'96	...	2'67	...
Lac (all kinds, except dye and stick)	63'08	...	59'9	...

CHAPTER IV.

Trade with Countries.

99. In the subjoined table are given the figures of our trade (merchandise only) with the several divisions of the world during the last ten years :

		1881-82.	1886-87.	1890-91.
		Rx.	Rx.	Rx.
With Europe	...	92,955,279	105,033,967	115,044,358
With Africa and adjacent islands.		4,570,435	6,744,736	9,632,186
With Asia	...	26,826,199	29,495,780	36,588,254
With America	...	3,512,379	4,895,172	6,429,218
With Australia	...	1,029,752	920,467	1,476,605
		-----	-----	-----
TOTAL	...	128,894,044	147,090,122	169,170,621
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At least 68 per cent of our whole trade is with Europe, 50 per cent being with the United Kingdom and only 18 per cent with other European countries; between 21 and 22 per cent of the trade is with Asiatic countries; something less than 6 per cent with Africa, mainly with the Eastern Coast and with Egypt, much of the trade with the latter country being so only nominally, the goods being distributed in Europe and on the Asiatic coast of the Levant; under 4 per cent is with the American Continent and the West Indies; and less than 1 per cent. with Australasia.

If the trade with Egypt were all assumed to be European then the proportion of trade with Europe would be 70·7 per cent and with Africa about 3 per cent.

100. During the decade our trade with each of these divisions has increased in the following proportions :—

With Europe	...	...	...	...	23·7 per cent.
„ Asia	...	...	...	...	36·4 „
„ Africa	...	...	...	...	110·7 „
„ America	...	...	...	...	83 „
„ Australia	...	...	...	...	43·4 „

101. The following table shows our trade for the same period with the principal countries with which we have commercial relations. This table also refers to merchandise only :—

	1881-82.	1886-87.	1890-91.	Increase per cent in the decade.
	Rx.	Rx.	Rx.	
1. United Kingdom	73,499,474	81,067,679	84,857,056	+ 15'45
2. { China—Hong-Kong	10,804,461	12,607,095	11,592,162	+ 7'3
" Treaty Ports	4,361,550	3,614,744	5,268,330	+ 20'79
3. France	8,691,578	8,526,530	8,695,093	+ 0'04
4. Straits Settlements	5,065,989	5,745,147	8,059,602	+ 59'09
5. Germany	836,645	944,935	6,086,746	+ 627'52
6. Belgium	1,972,829	3,903,898	5,629,094	+ 185'33
7. United States	3,161,458	4,418,436	5,503,992	+ 74'1
8. Egypt	1,763,333	2,617,019	4,630,909	+ 162'62
9. Italy	3,631,835	5,704,708	4,131,841	+ 13'77
10. Austria	2,732,087	3,363,297	3,582,676	+ 31'13
11. Ceylon	2,017,155	2,427,966	3,381,720	+ 67'65
12. Mauritius	1,685,042	2,538,010	2,870,796	+ 70'37
13. Persia	1,664,364	1,922,608	2,451,125	+ 47'27
14. Australia	1,029,752	920,467	1,476,605	+ 43'39
15. Zanzibar, Mozambique, and other ports on the East Coast of Africa	770,191	1,067,859	1,347,367	+ 74'94
16. Japan	139,206	398,604	1,270,458	+ 812'64
17. Arabia	1,243,884	1,400,275	1,268,607	+ 1'99
18. Aden	555,530	796,256	1,017,136	+ 82'76
19. Turkey in Asia	597,683	658,729	931,961	+ 55'93

As regards last year's trade with each country the following remarks notice the variations so far as they require notice.

EUROPEAN COUNTRIES.

United Kingdom. 102. In cotton manufactures, which represent more than half the value of our imports from the United Kingdom, there was a material increase in yarn and twist and in grey and white piece goods, an increase in which coloured goods did not share. On the whole, the recorded value of all cotton manufactures, including twist and yarn, gives an increase of about 3'8 per cent. The increase, which amounted to Rx. 1,128,000, has been largely lost in the first three months of the present year, the trade for the quarter shewing a decline of Rx. 886,000. Considering the unfavourable climatic conditions and the high prices of food-grains now prevailing in many parts of India, it may be doubted whether the trade will revive during the present year.

In metals and in hardware and cutlery there was also a small increase with a larger one in railway material and coal, also in woollen goods and apparel. There was a decline in liquors and silk goods.

The whole increase of the import trade from the United Kingdom was 3'6 per cent. Our exports on the other hand (Indian goods) declined in value

by nearly 16·5 per cent. As our whole export trade to all countries declined by not more than $3\frac{1}{4}$ per cent, it follows that there was a large diversion of our exports to other countries last year. With few exceptions all the larger staples of export declined in quantity as well as in value. The exceptions were : wheat, lac, animal bones, and tea. Only the first and last of these are articles of first-rate importance, and of these two the increase in the quantity of tea was only $1\frac{1}{2}$ per cent.

103. Imports increased by more than 18 per cent, the increase being mainly due to larger imports of apparel, cotton yarn, artificial dyes, hardware and cutlery, lametta, printing paper, sugar, and woollen goods. *Austria.*

Exports were smaller by about 7 per cent, the decline being chiefly in cotton and indigo.

104. With this country also the export trade was smaller by over $17\frac{1}{2}$ per cent, the exports of cotton, wheat, and rapeseed having materially diminished, in the last case owing to the lack of supplies from India where yield was very bad. Imports increased by between 11 and 12 per cent, the increase being most noticeable in mineral dyes, glass and glassware, matches, steel, and sugar. *Belgium.*

105. Instead of imports increasing and exports decreasing, the reverse process took place. Imports decreased by over 16 per cent, exports increasing by about $1\frac{1}{2}$ per cent. The decrease of imports was mainly in apparel and silk goods ; the increase in exports in cotton, wheat and oilseeds, rape excepted, in which there was a heavy decline. *France.*

106. The imports from this country have been increasing at a most exceptional rate :— *Germany.*

	Rx.
1886-87 .	160,300
1887-88 .	194,492
1888-89 .	248,016
1889-90 .	563,912
1890-91 .	1,691,649

They have thus increased tenfold in five years, the increase last year being at the rate of 200 per cent, and their value was double the value of the imports from France. In most of the imports there were more or less considerable increases : hardware and cutlery, matches, steel, paper, woollen goods, and salt. But the great augmentation of trade occurred in sugar, which represented quite half the whole value of the imports. It remains to be seen whether, without a recurrence of the exceptional conditions of the year in regard to exchange, it will be possible for Germany to continue exporting sugar in such quantities to India and find the business profitable. It is necessary, of course, that the steamers which the Germans have placed on the line between North Germany and India should find some bulky cargo to bring out to this country, and so far it has been found in sugar and salt, and doubtless efforts will be made to continue the trade ; but it is not certain that the efforts will be successful as regards sugar. The successful competition of German salt with salt from Liverpool, which in the hands of a syndicate has been greatly increased in price, will be a good thing for the consumer in India.

Our exports to Germany have increased also very largely :—

	Rx.
1886-87	771,310
1887-88	1,014,889
1888-89	1,493,272
1889-90	2,764,657
1890-91	4,387,482

An increase of nearly 470 per cent in five years and of about 59 per cent in the year, the increase being most apparent in cotton, rice, hides, jute, seeds, and bones. There can be no doubt that this large increase indicates to some extent the diversion of trade formerly carried by way of England but now carried direct.

Holland. 107. Imports doubled in the year, but they are still quite insignificant. Exports increased from Rx. 359,000 to Rx. 410,000, linseed forming the bulk of the exports. There was a large decline in wheat and rapeseed.

Italy. 108. Imports do not seem to be increasing. Those of last year amounted to Rx. 493,000, being about $3\frac{1}{2}$ per cent short of the preceding year. The largest items in this trade are corals, glass beads, white and coloured cottons, and silks. Corals came in larger quantity, but the others fell off. Exports also declined by about 14 per cent, cotton, rice, hides, and linseed having all fallen off. Rice in fact has practically disappeared from the list of exports to Italy, only 161 cwt. having been shipped thither. This is the result of the fiscal regulations to which reference has been made in paragraph 75 of this review.

The export trade with Italy has given no indication of advance during the last five years ; there has indeed been an actual decline, and it may perhaps be concluded that, until Italy adopts a less restrictive fiscal policy and can find cargoes of bulk to send to India, the maximum limits of our trade with it have been reached. The exports of the last five years have been—

	Rx.
1886-87	5,269,431
1887-88	4,505,246
1888-89	3,470,113
1889-90	4,217,755
1890-91	3,627,870

Malta. 109. Practically the only trade we have with Malta lies in the shipment thither of rice and wheat to be stored in the old granaries of the Knights for reshipment to ports in the Mediterranean. Until recently our wheat was thus stored in considerable quantities, but we have sent no wheat to Malta for the last three years. Rice still goes there in large quantities, close on 116,000 tons having been shipped last year.

Russia. 110. The only import consists of mineral oil from Batoum. This has largely increased since the creation of the trade five years ago ; so largely indeed as to threaten eventually to drive American oil out of our market. The imports have been as follows since 1886-87 when the trade commenced :—

	Gallons.	Value Rx.
1886-87	1,577,392	67,043
1887-88	5,036,055	227,274
1888-89	17,516,083	834,588
1889-90	15,962,105	741,774
1890-91	19,843,423	858,476

Our exports to Russia have not increased in anything like the same degree. They consist mainly of cotton and indigo, with a small quantity of seeds. The trade in the last five years has been:—

	Rx.
1886-87	313,343
1887-88	470,958
1888-89	535,759
1889-90	412,414
1890-91	336,950

111. This is the only other European country with which our trade is of any importance. The trade is limited to the export thither of cotton and jute. There was a somewhat large increase in cotton last year, and this trade has developed materially in the last three years. To Gibraltar we send wheat and teak, but in very small quantities. *Spain.*

COUNTRIES IN AFRICA.

112. The only noticeable feature in the trade is a remarkable increase in the exports of *jawar* and *bajra*. These have risen from an average of less than 35,000 cwt. in the three years preceding 1889-90 to 210,000 cwt. in that year, and again to 465,000 cwt. last year. The cause of this sudden increase has not yet been ascertained, but it is presumed to be due to the Italian occupation of Massawwah. *Abyssinia.*

113. The principal import from Mozambique, ivory, has undergone such a continuous decline in the last five years that it seems the trade is approaching extinction. Our exports to that colony, however, both of foreign and Indian goods, are increasing; these consist largely of Manchester and Bombay cottons, especially the latter. *Mozambique and Zanzibar.*

From Zanzibar the imports of ivory fluctuate much. In 1889-90 they fell to 141,566 lbs.; last year they rose again to 310,167 lbs. It is said that this trade rises or falls with the success or otherwise of the Arab slaving caravans; if so, the hunts recently must have been very fruitful. Cloves are the only other article of importance we receive from Zanzibar: of these also the imports of the year were large. Both cloves and ivory are very subject to fluctuation, and forming as they do more than three-fourths of the imports, the course of trade is very irregular.

The export trade consists largely of Manchester and Bombay cotton piece goods, the latter greatly preponderating. Last year's exports of Bombay goods amounted to 18,121,000 yards and of Manchester goods to 11,214,000 yards. Rice is another considerable article of export: this declined last year, but the quantity shipped in the preceding year had been exceptionally large. On the whole the export trade keeps up well and is increasing.

114. The import trade is small, amounting last year to Rx. 87,306 only, but seems to be increasing. We imported 3,513 cwts. of cotton last year from Egypt, and if the Bombay mills take, as they are doing now in a small way, to the manufacture of the medium and finer classes of yarn and goods, the importation of Egyptian cotton in future years may assume large dimensions. There is no particular reason why Bombay should not import such long-stapled cotton and *Egypt.*

spin and weave it in competition with the Lancashire mills. The other imports are apparel, cigarettes and tobacco, and ivory, but they are all unimportant.

Exports to Egypt are large, amounting last year to Rx. 4,500,000, but they consist to the extent of about 84 per cent of rice and wheat sent to Port Said for "orders," their ultimate destination being ports in Europe or on the Asiatic coast of the Levant. The other exports are indigo, gunny bags, and oilseeds, and as regards these also it is uncertain what proportion is actually destined for Egypt. Probably the trade to the extent of nine-tenths is really with other countries.

Mauritius and Réunion. 115. With the exception of a small quantity of cocoanut oil it may be said that sugar is the only article imported from Mauritius. The quantity of sugar received was larger than in the previous year, but the effects of competition stimulated by bounties and a rising exchange are shown in a fall in price. The exports consist mainly of cotton piece goods, nearly all European in this case, grain and pulse (rice, gram, oats, dal, wheat, &c.) and provisions (flour, ghi, lard, &c.) for Indian coolies. There was a largely increased trade in rice last year, and that article is the largest of all our exports to the island.

To Réunion also the exports of rice were unusually large. This is practically the whole of the trade with that island.

COUNTRIES IN AMERICA.

South America. 116. Practically the whole trade consists of the export of rice and gunny bags. The latter fell off much, but the exports in the preceding year had reached an unusually high figure. The rice trade was larger, but the result of the restriction in gunny bags was that export values fell from Rx. 782,892 to Rx. 730,153.

United States. 117. Imports from the States are now almost limited to mineral oil; the value of which is 92 per cent of the whole value of imports as shewn below:—

	Value of mineral oil. Rx.	Value of all imports. Rx.
1886-87 .	1,136,175	1,170,332
1887-88 .	982,052	1,030,279
1888-89 .	927,387	1,040,318
1889-90 .	1,644,473	1,729,156
1890-91 .	1,403,330	1,522,365

The only other articles that we receive from the United States are—in trifling quantities—clocks and watches, grey cottons, tobacco, and liquors. It will be seen from the foregoing figures that if the difference in freight between the Black Sea and the American coast of the Atlantic should be such as, other conditions being equal, to enable the Russians to land their oil more cheaply in India and oust American oil, our imports from the United States will be reduced almost to vanishing point. However, for the present the imports of oil continue on an extensive scale:—

29,144,942 gallons.
25,040,517 „
20,653,975 „
35,882,120 „
32,692,946 „

Our exports to the United States are fairly large :—

	Rx.
1886-87	. 3,190,976
1887-88	. 3,722,059
1888-89	. 3,589,255
1889-90	. 3,736,324
1890-91	. 3,968,735

They seem steadily improving. Luckily, most of the things that we export to the States are raw material required for industrial purposes. Most of our principal staples are on the free list or are charged with moderate duties in the McKinley Tariff, and that law, which has created such a disturbance in the business relations of European countries with the States, has no terrors for us. Our exports are catch, indigo, hides and skins, jute (which is more than a fourth of the whole exports), gunny bags and cloth, lac, saltpetre, linseed, mica, and rags. It is possible that the trade in mica, which is now trifling, may develope. This mineral is very useful for stove and furnace doors and in laboratories for purposes requiring transparency and the power of resisting great heat without fracture. There was a large increase in jute, gunny bags and cloth, hides and skins, and saltpetre last year. But there were no fluctuations of any special significance.

118. Trade is practically limited to the export of rice for the Indian coolies. *West Indies.* There was a considerable increase last year, the total export value rising from Rx. 131,978 to Rx. 166,550. We are never likely to have dealings with the West Indies except in the shipment of rice for the coolies we send thither.

COUNTRIES IN ASIA.

119. Imports were very slightly smaller than in the preceding year. The trade is, however, unimportant, except in regard to salt, of which we received last year 36,662 tons from Aden. The salt is manufactured there by an Italian Company which has a concession on favourable terms from Government for the manufacture of salt for export. The development of this manufacture is of importance in view to the introduction of competition with Liverpool salt in Calcutta. Apart from salt, the imports from Aden are limited to trifling quantities of coffee, gums, hides, ivory, and fish maws and fins. *Aden.*

Exports also slightly decreased. These consist mainly of cotton yarn and piece goods (chiefly Bombay goods), food-grains, and sugar. There were smaller exports of piece goods and jawar and bajra, but the fluctuations call for no remark.

120. The imports consist largely, or mainly, of gums, pearls from the Gulf fisheries, dates, and salt. There was a more or less material decline in all these, dates having been, it is said, injured by storms and the salt being unable to compete with the better salt from Aden. *Arabia.*

Exports of Indian goods also declined considerably, the quantities of food-grains exported being small. The trade in these, however, fluctuates according to local conditions. The people in these tracts take small quantities of Bombay piece goods, their requirements being apparently in the direction of Manchester goods of which we send them considerable quantities.

Ceylon.

121. Imports and exports (of Indian goods) in the last five years :—

	Imports. Rx.	Exports. Rx.
1886-87	537,789	1,799,982
1887-88	633,599	1,983,216
1888-89	554,379	1,933,056
1889-90	632,119	2,195,241
1890-91	713,383	2,525,790

We imported considerable quantities of betelnuts, cocoanut kernel (copra), and cocoanut oil, which are the staples of our import trade from Ceylon. We also did a large export business in piece goods (Indian and European, but most largely the former), rice and paddy, and various things which are required by the Madras coolies on the plantations. It is likely that the increasing number of labourers on the expanding area of the tea estates will cause an increased demand for goods from India yearly. The export of rice, however, last year was doubtless exceptional, being due to failure of supplies from other places.

China.

122. Imports decreased about one per cent in the year, falling from Rx. 2,449,501 to Rx. 2,420,295. Our chief imports are raw silk and silk goods, tea, sugar, and copper. There was a considerable increase in silk, and in sugar which came from China, as from other countries, in large quantities. Chinese sugar, however, seems unable to compete in India with the sugar of other countries, for the quantity received in recent years is much smaller than it was. So far as the decrease in the imports of tea implies that more Indian tea is being taken by our neighbours in Persia, Afghanistan, and Central Asia, as well as by people in India, it is no subject for dissatisfaction. Amongst our neighbours, however, the place of China tea is being occupied by other foreign, not by Indian, tea (see paragraph 124).

Exports increased $3\frac{1}{2}$ per cent, rising from Rx. 13,801,476 to Rx. 14,295,934. There are but two articles of importance which we export to China—opium and cotton yarn. The former declined in value, but the increase in the latter more than compensated for the decline. The Chinese yarn market, according to recent accounts, has been overloaded with Bombay yarns. Various other articles are exported to China, but raw cotton is the only one amongst them of some importance.

Our trade with China is still principally conducted through Hong-Kong, but during the last few years an increasing proportion is being conducted with the Treaty Ports while trade with Hong-Kong seems to be declining, as the following figures representing the value of the whole trade, imports and exports, will shew :—

	Hong-Kong. Rx.	Treaty Ports. Rx.
1886-87	12,507,310	3,013,169
1887-88	12,289,765	3,079,466
1888-89	12,385,377	3,551,017
1889-90	12,694,790	3,556,188
1890-91	11,453,213	5,263,016

Japan.

123. Direct imports are still so trifling that they do not require notice.

The export trade is remarkable for shipments of rice, amounting to about 65,388 tons, value about Rx. 480,000, a circumstance without precedent in recent years and due to an extensive failure of the Japanese rice harvest. More than countervailing this, however, there was a very large decline in the exports of cotton twist, and in the result the total exports of the year were slightly smaller than those of the preceding year.

	Rx.
1889-90	1,218,998
1890-91	1,210,276

124. Imports declined from Rx. 803,916 to Rx. 710,182 last year, but the trade of the preceding year had been exceptionally active. With the exception of horses there was a decline in all the principal imports : cotton, wool, pearls, dates, and provisions. *Persia.*

Exports of foreign goods to Persia are very much larger than those of Indian goods :

	Foreign. Rx.	Indian. Rx.
1889-90	1,225,603	497,102
1890-91	1,319,957	420,986

The increase under the first of these heads was mainly due to an expansion in the tea trade, Chinese, Java, and Ceylon tea having been shipped to the extent of nearly three million pounds to Persia from Bombay. This trade is to a large extent a diversion from the overland route by which Chinese tea used to (and still does in diminishing quantity) go to Central Asia through Afghanistan. The region which is traversed northwards from Bushire and Bandar Abbās forms in itself a better and freer market than Afghanistan, and the transit of the tea to Meshed and places beyond is not so expensive and so subject to tolls and extortions as transit through Afghanistan.

The quantity of Indian tea sent to Persia also slightly increased, but it amounted to only 1,221,478 lbs. compared with the 2,973,817 lbs. of foreign tea exported. Indigo greatly declined, but the decline followed on a year of unusually large export and it may mean nothing particular.

125. Imports and exports (of Indian goods) —

Straits.

	Imports. Rx.	Exports. Rx.
1886-87	1,590,545	3,892,253
1887-88	2,119,599	3,823,815
1888-89	2,278,414	4,072,307
1889-90	2,441,400	4,536,746
1890-91	2,300,338	5,499,505

A general, but small, decline in most of the articles imported, but nothing presenting any very marked or unusual feature.

Rice, which represented half the whole value of exports, was sent to the Straits last year in unusually large quantity for the reasons mentioned elsewhere. Cotton piece goods and gunny bags also give increased values, while opium slightly declined, though the quantity exported was larger. Rice and opium are the staples of our export trade to the Straits, constituting from three-fourths to four-fifths of the whole.

Turkey in Asia.

126. The trade closely resembles the trade with Persia, but on a much smaller scale. The principal imports are horses, dates, and ghi, to which has been added in the last three years a small but increasing import of wheat and other food-grains. There was a decline in imports generally, wheat excepted. There was also a decline in exports of Manchester and Bombay piece goods and in indigo; but an increase in gunny bags, required for the wheat trade, and in coffee. The European traveller in Persia, Asiatic Turkey, and Turkish Arabia, when he sings the praises of the coffee of Arabia does not suspect perhaps that he is often writing about coffee grown in Southern India.

Australia.

127. Imports from Australia are very limited in value and consist mainly of horses, copper, and coal. Last year's imports amounted to only Rx. 249,718; being as much as 36 per cent less than those of the preceding year, owing to a large decline in the imports of copper and coal. The imports of copper from Australia have been sensibly restricted during the last three years, no doubt in consequence of the speculations in the metal in Europe and America which resulted in the accumulations of large stocks to be worked off on the best obtainable terms, and in consequence of contracts having been entered into with the speculators which left no large surplus in Australia available for export to India. There was a material increase in the exports of Indian goods—

	Rx.
1886-87 .	523,743
1887-88 .	1,110,873
1888-89 .	1,088,250
1889-90 .	1,063,489
1890-91 .	1,219,037

The increase last year was at the rate of $14\frac{1}{2}$ per cent.

Our exports to Australia consist mainly of gunny bags, tea, and castor oil; bags being the staple of the trade, of the value of which they represent about 60 per cent. The exports of these have kept fairly steady since 1887-88 when, with good wheat harvests and wool clips, they more than doubled in one year. Last year there was another substantial increase. There was an increase also in castor oil, and a very satisfactory development in the export of tea. The exports of tea to Australia in the last five years may be noted here:—

	Pounds.
1886-87 .	1,645,888
1887-88 .	2,471,927
1888-89 .	2,880,596
1889-90 .	3,419,139
1890-91 .	5,118,714

Rapid and large as this increase has been recently it is not so rapid as the increase in the exports of Ceylon tea to the Colonies. On this subject the following extracts are taken from a review of the tea season in the *Melbourne Argus* of the 24th July: "From Calcutta we find a large increase in shipments * * Large as this increase has been, it does not fairly indicate the increase in public favour of these full teas * * From Colombo we have even a more rapid development of the exportations of teas to the colonies to chronicle, the shipments running up to 2,900,000 lb., as against 1,500,000 lb. and 1,46,000 lb. for the two preceding years respectively. The public taste has

“certainly taken rapidly to the more flavoury and softer teas of Ceylon, and “there can be no doubt that not only China, but also India, has much to fear “from the competition from Ceylon. The well-cured Ceylon teas are certainly “most attractive, being remarkably flavoury, with good strength. Ceylon teas, “however, have one serious drawback, and that appears to be their inferior “keeping qualities; and, judging from the present year’s receipts, this trade “is certainly ‘the jam tart trade’ in tea, they are all better sold fresh than “stale and flat, which, in many instances, from inferior manufacture they soon “become.”

We ought to supersede Chinese tea in Australia as we are doing in England, and it is not too much to anticipate that in another five years or so our exports of tea to the colonies, if the business is judiciously and perseveringly worked, should reach 15 or 20 million pounds.

Trade through the Suez Canal.

128. The value of the trade (including Government stores) carried through the Canal in 1889-90 was Rx. 130,611,300 being 68 per cent of the whole trade; last year the value was Rx. 132,190,000, or about $67\frac{1}{2}$ per cent. In 1880-81 it was Rs. 812 millions, being not quite 59 per cent of the whole.

The imports brought to India by this route in 1889-90 were about 80 per cent of the whole import trade, and exports sent the same way were about 58 per cent of the whole. Last year the figures were for imports about $77\frac{1}{2}$ and for exports again about 58 per cent.

Practically almost all our trade with Europe is now conveyed through the Canal, and it may be concluded that the proportions given above of the whole trade which is carried through the Canal will not vary materially for some time to come, unless, indeed, there should be a large augmentation of trade with countries lying east of the Canal (for instance, with Australia or with the East Coast of Africa) unaccompanied by corresponding augmentations in trade with countries lying westward of it.

CHAPTER V.

Provincial Trade.

129. The figures of the trade of each province stand thus (rupees 000's omitted) :

1886-87. 1887-88. 1888-89. 1889-90. 1890-91.

Imported Merchandise.

Bombay	234,814	254,869	265,038	264,230	275,432
Bengal	233,380	232,984	257,021	251,316	260,803
Madras	53,181	53,270	57,960	61,663	62,193
Burma	37,100	56,893	59,054	54,544	54,897
Sindh	28,137	25,831	35,630	33,848	37,024

Exported Merchandise.

Bombay	342,205	343,950	389,085	394,069	378,594
Bengal	555,983	371,085	378,208	396,727	372,593
Madras	91,313	97,323	103,257	115,149	107,144
Burma	65,866	66,317	61,088	77,813	96,029
Sindh	28,917	26,040	38,143	50,209	46,997

130. Taking imports and exports of merchandise together the foreign trade of each province stood as follows during the last three years in rupees (000's omitted) :—

	1888-89.	Percentage on whole trade.	1889-90.	Percentage on whole trade.	1890-91.	Percentage on whole trade.
Bombay	654,123	39.99	658,300	38.73	654,026	38.66
Bengal	635,229	38.84	648,043	38.13	633,396	37.44
Madras	161,218	9.86	176,812	10.4	169,337	10.01
Burma	111,142	6.80	132,357	7.79	150,926	8.92
Sindh	73,773	4.51	84,057	4.95	84,021	4.97

Every province had its share in the increase of imports, an increase which was more or less substantial except in the case of Burma where the excess was nominal. Every province also shared in the decrease of exports except Burma where there was a large increase in the export of rice.

In the total trade of each province the results of the year compared with the preceding year are—

Bombay decreased	0.65 per cent.
Bengal „	2.26 „
Madras „	4.23 „
Sindh „	0.04 „
Burma increased	14.03 „

131. Into Bombay there was an active import of cotton yarn, and cotton and woollen goods, railway material and sugar; but a smaller import of machinery and silk goods.

In the staples of the export trade of Bombay there was a largely increased trade in cotton yarn and goods and in wheat, more than counterbalanced by a decline in opium, raw cotton, rapeseed, wool, coffee, and rice.

132. In imports into Bengal cotton yarn and goods, machinery (the increase being to some extent in connection with the so-called gold mines in Chota Nagpur), woollen goods, and sugar, were imported in excess, more or less largely,

of the quantities imported in the preceding year. There was a decline in the imports of railway material; salt and silk goods.

With the exception of rice and tea, all the more important staples of export from Bengal shrank either in bulk or value, or both. Larger quantities of jute and of gunny bags were exported, but with a heavy fall in prices there was a great decline in values. Gunny cloth fell away in quantity as well as value, opium, oilseeds, indigo, cotton, wheat, sugar, silk, and cotton yarn and goods, all shared in the decline of the export trade.

133. Madras imported larger quantities of railway plant and metals, but less of cotton goods.

The contraction of the export trade in this province was comparatively much greater than in the other provinces. Owing mainly to failure of crops the exports of rice, cotton, oilseeds, indigo, and sugar were reduced, and the increased exports of coffee, tanned skins and cotton yarns and goods were an insufficient compensation.

134. Burma imported more salt, sugar, machinery, and cottons and woollens, and smaller quantities of silks.

The province did a large export business in rice, but its one other staple, teak timber, was much depressed, owing to the competition of Siamese timber in the European markets.

135. Sindh, like the other provinces, imported more sugar, cottons and woollens, but had a restricted trade in its two staple exports, wheat and oilseeds. *Per contra*, since the close of the year there has been a remarkably large increase in both these articles.

136. The trade and navigation of India with foreign countries have been distributed during the last five years in the following proportions between the five chief ports. Treasure is included in the trade here :—

	1886-87.	1887-88	1888-89.	1889-90.	1890-91.
<i>Trade.</i>					
Bombay . .	42'78	43'37	44'03	43'95	43'82
Calcutta . .	36'9	35'87	35'6	34'04	34'08
Rangoon . .	5'01	5'9	5'2	5'76	6'45
Madras . .	5'58	5'44	5'3	5'58	5'38
Karachi . .	3'68	3'2	4'26	4'53	4'41
TOTAL . .	93'95	93'78	94'39	93'86	94'14
<i>Shipping.</i>					
Bombay . .	33'7	33'23	35'22	31'48	31'33
Calcutta . .	24'52	24'44	25'41	24'74	23'61
Rangoon . .	9'36	10'82	10'1	10'9	12'80
Madras . .	8'07	8'05	7'22	8'26	7'87
Karachi . .	6'62	5'65	6'71	7'76	8'03
TOTAL . .	82'27	82'19	84'66	83'14	83'64

The following figures shew the actual extent of the foreign trade of the seven largest ports of India in merchandise only, imports and exports (including re-exports), during the last five years in Rx. :—

	1886-87.	1887-88.	1888-89.	1889-90.	1890-91.
Bombay . . .	57,652,800	59,654,600	65,292,300	65,748,000	65,371,600
Calcutta . . .	57,772,100	58,955,800	62,288,200	63,112,400	61,750,600
Rangoon . . .	7,963,100	9,897,700	9,310,000	10,893,700	12,437,600
Madras . . .	8,520,800	8,800,100	9,296,700	10,339,300	10,020,700
Karachi . . .	5,705,400	5,186,800	7,377,200	8,405,700	8,402,100
Tuticorin . . .	1,426,600	1,613,900	1,655,100	2,264,700	2,036,000
Chittagong . . .	969,500	1,257,000	1,135,100	1,512,600	1,324,100

The increase of trade during this period in these ports has been at the rate mentioned below :—

	1890-91.	
Bombay . . .	13'4	per cent.
Calcutta . . .	6'9	"
Rangoon . . .	56'2	"
Madras . . .	17'6	"
Karachi . . .	47'26	"
Tuticorin . . .	42'7	"
Chittagong . . .	36'57	"

Government Stores.

137. The total value of these transactions was Rx. 3,098,368, being about 12 per cent more than those of the preceding year. In that year, however, the importations were comparatively small. The transactions are not of a progressive character ; last year they were smaller than in 1886-87, and they seem to range between Rx. $2\frac{3}{4}$ and $3\frac{1}{4}$ millions, the fluctuations depending mainly on the progress of railway construction by the State. The increase last year was occasioned by increased importations of railway material (which is much more largely imported by the State than any other class of articles) and of iron. There were also larger imports of arms, machinery and mill work.

Customs Revenue.

138. The gross sum received on imports (excluding salt) since 1886-87 was as follows :—

	1886-87.	1887-88.	1888-89.	1889-90.	1890-91.
	Rx.	Rx.	Rx.	Rx.	Rx.
Arms and ammunition . . .	21,711	22,370	26,089	23,867	28,047
Malt liquor	10,712	13,179	15,205	17,439	17,325
Cider and other fermented liquor	119	133	151	219	180
Spirits	429,708	462,935	482,854	492,371	533,385
Liqueurs	5,203	6,077	6,456	6,943	6,859
Wines	42,455	45,468	43,618	42,294	43,151
Opium	428	255	306	285	325
Mineral oil	...	13,709	117,489	162,392	165,040
Imports by post, &c. . . .	164	135	159	133	139
Total gross revenue . . .	510,500	564,261	692,327	745,943	794,451
Total net revenue	499,255	549,781	676,284	724,116	774,269

The net export revenue for the same years (levied exclusively on rice) was—

	Rx.
1886-87 .	696,462
1887-88 .	739,065
1888-89 .	597,956
1889-90 .	705,721
1890-91 .	900,647

139. There was an increase in the import revenue under most heads, but the increase was of no importance except in the case of spirits. The large increase under this head is attributable to the amendment of the Tariff Act in March 1890 which raised the rate of duty from five to six rupees the gallon. The quantity imported was smaller than in the preceding year.

The increase in the import revenue was about 7 per cent, but it would have been not more than one per cent if the spirit duty had not been enhanced. The duty on spirits and petroleum now bring in about 90 per cent of the whole import revenue. The returns under each of the other heads are relatively insignificant.

140. The export revenue increased in the large proportion of $27\frac{1}{2}$ per cent, in consequence of an exceptional demand for the export of rice. Unless similar exceptional conditions should recur during the present year it is likely that the revenue will fall again to between Rx. 750,000 and 800,000: it may indeed fall lower, having regard to the failure of crops in Southern India, the consequent rise in prices, and the necessity of resorting for supplies, which would otherwise have been exported, to Bengal and Burma.

The total revenue (net) from imports and exports was unusually large.

	Rx.
1887-88 . .	1,288,846
1888-89 . .	1,274,240
1889-90 . .	1,429,837
1890-91 . .	1,674,916

CHAPTER VI.

Balance of Trade.

141. The excess of exports over imports, including treasure as well as merchandise, for each of the last ten years was (Rx.) :

	Including Government transactions.	Excluding Government transactions.
1881-82 .	22,632,000	24,684,500
1882-83 .	18,978,300	20,925,500
1883-84 .	21,029,100	23,521,000
1884-85 .	15,634,600	18,059,700
1885-86 .	13,855,800	17,626,300
1886-87 .	17,353,900	20,398,400
1887-88 .	13,317,800	15,774,700
1888-89 .	15,548,400	18,266,400
1889-90 .	18,709,700	21,219,400
1890-91 .	8,440,700	11,253,200

142. In the same period the drawings of the Secretary of State in Council Bills have been—

	£	Exchange. Pence.	Rx.
1881-82 .	18,412,429	19'895	= 22,191,400
1882-83 .	15,120,521	19'525	= 18,586,000
1883-84 .	17,599,805	19'536	= 21,621,400
1884-85 .	13,758,909	19'308	= 17,102,400
1885-86 .	10,292,692	18'254	= 13,532,500
1886-87 .	12,136,279	17'441	= 16,700,300
1887-88 .	15,358,577	16'899	= 21,812,400
1888-89 .	14,262,859	16'379	= 20,899,100
1889-90 .	15,474,496	16'565	= 22,418,700
1890-91 .	15,969,033'5	18'089	= 21,186,900

the average being £14,838,560 = Rx. 19,605,110.

The excess of exports over imports last year was abnormally small, and the means by which the settlement of the year was made have been explained in the first chapter of this review.

Gold and Silver Coin and Bullion.

143. The imports and exports during the last ten years were—

Gold—

	Rx.		
	Imports.	Exports.	Balance net imports.
1881-82 .	4,856,400	12,400	4,844,000
1882-83 .	5,095,100	164,200	4,930,900
1883-84 .	5,469,400	6,900	5,462,500
1884-85 .	4,778,100	106,200	4,671,900
1885-86 .	3,091,500	328,600	2,762,900
1886-87 .	2,833,600	656,500	2,177,100
1887-88 .	3,236,100	243,600	2,992,500
1888-89 .	3,119,100	305,200	2,813,900
1889-90 .	5,071,000	455,700	4,615,300
1890-91 .	6,500,800	864,600	5,636,200

Silver—

1881-82 .	6,466,300	1,087,300	5,379,000
1882-83 .	8,358,000	877,800	7,480,200
1883-84 .	7,408,500	1,003,400	6,405,100
1884-85 .	9,110,000	1,864,400	7,245,600
1885-86 .	12,386,200	779,600	11,606,600
1886-87 .	8,219,700	1,064,000	7,155,700
1887-88 .	10,589,800	1,361,100	9,228,700
1888-89 .	10,725,900	1,479,200	9,246,700
1889-90 .	12,388,500	1,450,600	10,937,900
1890-91 .	15,433,600	1,258,500	14,175,100

As was anticipated in last year's review the fall in the silver price of gold—or as it may otherwise be put, the rise in the gold price of silver—had the effect of stimulating the imports of gold, which were larger than they have been for many years.

Silver also was imported on a scale that has been equalled or exceeded only in two very exceptional years. The causes have been stated in the first chapter of the review.

Since 1859-60 the net imports of the precious metals have been—

	Rx.	
	Gold.	Silver.
From 1859-60 to 1872-73 .	72,606,200	117,224,200
From 1873-74 to 1890-91 .	50,893,500	135,162,400
Total .	123,499,700	252,386,600

The total value of both amounts to Rx. 375,886,300, to which may be added 101½ millions imported from 1834 to 1859, making altogether since 1834 about Rx. 477,386,000, which does not include the unknown quantity imported across the land frontier. Probably the whole net imports since 1834 may be assumed at not less than Rx. 500 millions.

144. The silver coinage of the British Indian mints from 1859-60 to 1889-90 has amounted to Rs. 2,11,73,00,000. There are no statistics of the coinage in the mints of the Native States.

Appended is a statement kindly furnished by Colonel R. V. Riddell, R.E., Master of the Bombay Mint, shewing the descriptions of the silver received in that Mint for coinage during the year 1890-91 :—

	Weight in tolas.
London silver	21,512,228
Australian silver	3,312,797
American silver	12,102,226
Genoa silver	4,781,970
San Francisco silver	129,766
Sycee silver	10,033,321
Mexican dollars	2,519,542
Mexican Chopped dollars	14,584,907
Roumanian 5-lei pieces	9,048,324
Peruvian dollars	132,500
Japanese yens	1,613,122
Argentine Republic coins	227,500
Maria Theresa dollars	2,451,899
Country silver and ornaments . .	717,517
Native coins	2,077,183
TOTAL	85,244,802

Gold was, as usual, imported mainly from England, China, and Australia. Of silver a much smaller quantity than in the previous year was received from England, but importations from Austria, China, Japan, the Straits, and Australia were largely in excess of the quantities hitherto received from those countries. From Australia, whence hardly any silver had been received before, a quantity representing Rx. 500,000 was imported, and from Austria Rx. 973,000, the bulk of it consisting of Roumanian 5-lei pieces, that country having adopted a gold standard and shipped its silver coins to India.

CHAPTER VII.

Shipping.

145. The total number and tonnage of the shipping, steam and sailing, with cargoes and in ballast, which entered from and cleared to foreign countries, during each of the last five years, are as follow :—

YEAR.	Number.	Tons.	Average tonnage.
1886-87	10,584	7,172,193	678
1887-88	10,893	7,189,465	660
1888-89	10,485	6,983,332	666
1889-90	10,673	7,315,586	685
1890-91	11,023	7,684,954	697

Steamer tonnage represented about 78 per cent of the whole: five years ago it was only 66 per cent of the whole. The total number of steamers which entered and cleared was 4,070, with an aggregate burden of 6,010,395 registered tons, the average tonnage of each steamer being 1,477 tons. About $3\frac{3}{4}$ per cent of the steamers which cleared left without taking away some cargo.

Of the 4,070 steamers, 1,717 passed through the Suez Canal, their tonnage (3,308,516 tons) being 55 per cent of the whole.

146. Of the total of 7,684,954 tons, the entries from and clearances to the United Kingdom were 2,659,655 or 34·6 per cent. Five years ago the proportion was 41·3 per cent, the actual tonnage being also larger. Entries from and clearances to British possessions have increased in the same period (in tonnage) by about 23 per cent, and the tonnage of vessels from and to foreign countries by about 15 per cent, Germany being the country in the navigation of which from and to India the greatest increase has occurred. The increase of direct trade with Germany has in five years raised the shipping trade with that country from 35 vessels and 49,398 tons to 120 vessels and 206,355 tons.

147. The tonnage of vessels sailing under the British flag represented 82·4 per cent of the whole, the proportion in previous years being in 1880 and in 1885, 79 per cent.

148. The tonnage of vessels under foreign flags was only 11·5 per cent of the whole: in 1883 the proportion was 16 per cent.

149. The proportion of tonnage of vessels under British Indian registry was only about 3·8 per cent of the whole. The number of these vessels is large, amounting to 2,023, but their tonnage is small, the average for each vessel being only 145 tons.

The average tonnage of British vessels is $1,490\frac{1}{2}$ tons, that of foreign vessels only $733\frac{1}{2}$ tons. The total number of vessels under foreign flags which

entered and left last year was 1,206, aggregating 884,684 tons, the principal flags being :

	1889-90.		1890-91.	
	No.	Tons.	No.	Tons.
Austrian	100	181,939	93	164,759
German	138	180,996	167	253,665
Italian	114	177,200	100	159,876
French	121	116,404	126	110,714
Arab	620	79,994	496	68,950
Norwegian	68	61,877	42	41,516
American	31	44,043	27	38,391
TOTAL	1,192	842,453	1,051	837,871

Only ships under the German flag shew a tendency to increase largely.

150. The native craft employed in the foreign trade do not increase. They represent less than $2\frac{1}{4}$ per cent of the whole tonnage. Except for intercourse with the Straits and the Malayan Archipelago, Ceylon, the Maldives, and the Coast from Karachi to Maskat, these craft will no doubt eventually disappear from the foreign carrying trade, and be superseded by steamers.

151. The following table shews the share of each of the maritime provinces of India in the movement of shipping with cargoes in the last five years :—

		1886-87.	1887-88.	1888-89.	1889-90.	1890-91.
Bengal.	No.	1,145	1,147	1,066	1,042	985
	Tons	1,646,298	1,683,421	1,656,576	1,675,515	1,697,642
Bombay	No.	2,025	2,027	1,939	1,869	1,850
	Tons	2,139,483	2,142,791	2,175,685	2,004,030	2,083,168
Sind	No.	712	795	767	927	927
	Tons	419,899	363,892	413,602	492,701	532,612
Madras.	No.	3,537	3,692	3,588	3,520	3,515
	Tons	1,170,488	1,200,274	1,105,546	1,195,697	1,194,062
Burma	No.	1,052	1,003	768	894	932
	Tons	959,417	1,045,425	816,187	980,567	1,127,186

The proportion in the last two years was—

	1889-90.	1890-91.
Bombay and Sind, about	39 per cent	39·4 per cent.
Bengal	26	25·6
Madras	19	18
Burma	15	17

Section II.—Trans-Frontier Trade.

CHAPTER VIII.

152 The trade of the last ten years was :—

	Imports.	Exports.	Total.
	Rx.	Rx.	Rx.
1881-82 .	4,815,429	5,142,781	9,958,210
1882-83 .	5,341,136	4,653,112	9,994,248
1883-84 .	5,509,053	5,257,252	10,766,305
1884-85 .	5,514,562	6,122,349	11,636,911
1885-86 .	3,618,761	5,584,893	9,203,654
1886-87 .	3,772,285	5,650,475	9,422,760
1887-88 .	4,170,914	5,020,941	9,191,855
1888-89 .	4,226,145	4,696,702	8,922,847
1889-90 .	3,793,701	5,210,625	9,004,326
1890-91 .	4,025,305	4,642,478	8,667,783

These figures, standing by themselves, would seem to indicate a very unsatisfactory lack of vigour and progress in this trade. But they require explanation and modification. In the first place, they include the figures of the whole traffic on the Sind-Peshin railway which largely consisted in the earlier years of the transport of railway material. As this fell off with the completion of the line to Quetta, the aggregate value of exports in the later years appears to be smaller than in the earlier years. In the second place, the earlier years include trade between Lower and Upper Burma, and since the annexation of Upper Burma the figures of that trade do not appear in the returns of the trans-frontier trade. They have been replaced by a new entry, "trade with Western China," which, however, is as yet quite trifling compared with the trade that was recorded as with Upper Burma.

153. As regards the Sind-Peshin railway, it was stated in the review of the trade for 1889-90 that arrangements were in progress for the exclusion of the traffic on the line from these returns because it was almost entirely internal trade and for its replacement by the figures of the trade which crosses the frontier of Sind and British Biluchistan. These arrangements have now been completed and the returns of the first month (April) of the present official year have been framed on the new lines that have been settled. They shew only so much of the railway traffic as reaches or leaves it at points on the frontier.

154. In reviewing the progress of the frontier trade for the last ten years it will be best, for the reasons stated above, to exclude throughout the period the figures of the Sind-Peshin railway and those for Upper Burma. Even then the comparison will not be strictly correct, for we have to allow for that portion of the railway trade which always crossed the frontier and in the earlier years for that portion of the trade with Western China and the Shan States which reached or left Lower Burma. In both cases, however, the sum involved was too small to affect appreciably the general results, and the totals given below may be taken to be approximately correct and fair for purposes of comparison. They exclude in the whole of the years the traffic on the Sind-Peshin railway and also for the earlier years the trade with Upper Burma which since the annexation has ceased to be recorded as trans-frontier trade. The figures represent merchandise only,

for the returns of treasure are so imperfect and misleading that it is considered best to exclude them altogether.

	Imports.	Exports.	Total.
	Rx.	Rx.	Rx.
1881-82 . .	3,219,193	2,629,820	5,849,013
1882-83 . .	3,378,932	2,256,033	5,634,965
1883-84 . .	3,527,033	2,281,491	5,808,524
1884-85 . .	3,245,371	2,301,264	5,546,635
1885-86 . .	3,201,360	2,178,626	5,379,986
1886-87 . .	3,330,172	2,444,418	5,774,590
1887-88 . .	3,446,463	2,700,156	6,146,619
1888-89 . .	3,369,932	2,545,720	5,915,652
1889-90 . .	3,261,658	3,263,440	6,525,098
1890-91 . .	3,515,153	3,029,732	6,544,885

155. These figures as they stand give an increase of nearly 12 per cent in the ten years, or an annual average of 1·2 per cent. Making the allowance referred to above for Western China and the Shan States, the average rate of increase may perhaps be taken at 1 per cent annually. Even at the higher rate this is very slow progress compared with that of our foreign trade by sea, which in the same period has increased nearly three times as fast. But if the conditions are considered, the rate of increase in our frontier trade is not so disappointingly slow as it appears at first sight. Our foreign trade by sea is facilitated in every possible way: means of transport are easy, cheap, and abundant; our ports are easy of access, and every danger is minimised by careful conservancy, by the provision of lights, buoys, beacons, and pilots; the railways which cross the country have their termini in close proximity to the steamers which now carry the bulk of our trade; the trade is largely conducted with the civilised nations of the West which are as anxious on their side as we are on this to facilitate the operations of commerce; and at least half of our whole trade is conducted with a country (the United Kingdom) whose fiscal policy is the most liberal of any country in the world, India excepted.

All these conditions are non-existent and reversed in the case of our frontier trade. Transport is as difficult as it is costly; we are shut out from almost all our neighbours by a vast mountain barrier extending from Quetta to the Malay Peninsula; across this barrier trade is in most cases carried by rugged and painful mountain paths, by men and women, by camels, by oxen, ponies, mules, even by sheep and goats; in the higher regions the passes are snowed-up and impracticable for five or six months in the year; in many places the routes, which degenerate into tracks beyond British territory, are made unsafe by tribes who prey upon the peaceful trader crossing their country and who praise their own moderation when the trader is allowed to pass with the loss of only a portion of his property; when the trader does finally reach his destination it is not to find a civilised people desirous of encouraging trade; in most cases he finds himself harassed by petty officials here and there whom he has to bribe if he wishes to escape any portion of the extortionate transit dues levied on his goods at station after station throughout his journey; and finally, his customers are poor, their conditions of life primitive, their wants few, much trade has to be done by barter, and facilities for exchange are almost entirely absent.

When the conditions of the frontier trade are thus contrasted with those of the seaborne foreign trade the limited extent and comparatively slow progress of the former need excite no surprise. It is, indeed, perhaps surprising that it is as large as it is and that it advances at all. Hereafter, if we can see roads and railroads made over the main trade routes crossing our frontiers we may expect in due course that augmentation of trade which has always followed the provision of facilities for intercourse in India. But until then we must rest satisfied if the trade continues small and slowly increases.

156. With these preliminary remarks we may now proceed to consider the trade of each country last year with the trade of the preceding year. The following figures give the imports and exports for each country in both years in Rx., the figures being limited to merchandise :—

	1889-90.		1890-91.	
	Imports.	Exports.	Imports.	Exports.
Lus Bela . . .	32,798	29,112	48,787	28,591
Khelat . . .	39,864	35,504	33,088	33,970
* Sewestan . . .	64,018	75,360	63,389	68,329
Kabul . . .	325,287	796,517	208,637	459,870
Bajaur . . .	75,743	89,678	93,416	93,473
Kashmir . . .	578,681	563,845	543,204	565,173
Ladakh . . .	24,555	22,285	34,191	27,561
Thibet . . .	101,427	40,400	77,713	40,174
Nepal . . .	1,542,114	1,258,025	1,719,548	1,285,397
Karenni . . .	76,259	34,944	148,661	14,404
Shan States . . .	94,222	123,383	181,158	155,066
Zimmé . . .	146,841	42,560	141,422	59,056
Siam . . .	49,910	30,094	48,708	23,444
Western China . . .	4,908	48,441	53,435	108,749

Of the countries mentioned above those with which the total trade, imports and exports, exceeds a million of rupees are the following :—

	Rx.		Rx.
Sewestan . . .	131,718	Nepal . . .	3,004,945
Kabul . . .	668,507	Karenni . . .	163,065
Bajaur . . .	186,889	Shan States . . .	336,224
Kashmir . . .	1,108,377	Zimmé . . .	200,478
Thibet . . .	117,887	Western China . . .	162,184

The only really important trade is with Kabul, Kashmir, Nepal, and the countries lying along the Eastern border of Burma (Western China, the Shan States, Karenni, and Zimmé).

Kabul.

157. The trade of the last ten years has been as follows in Rx. :—

	Imports.	Exports.	Total.
1881-82 . . .	276,355	838,926	1,115,281
1882-83 . . .	312,867	574,328	887,195
1883-84 . . .	249,332	521,111	770,443
1884-85 . . .	238,393	469,103	707,496
1885-86 . . .	229,307	536,746	766,053
1886-87 . . .	257,366	636,349	893,715
1887-88 . . .	237,526	574,890	812,416
1888-89 . . .	187,335	526,798	714,133
1889-90 . . .	325,287	796,517	1,121,804
1890-91 . . .	208,637	459,870	668,507

It will be observed that even the remarkable increase of trade in 1889-90 only brought the trade up to the level of 1881-82, and that there is no indication of progress in it. Indeed, it can hardly be looked for under such a fiscal régime as that which is persisted in by the Amir even if the Russians in Central Asia were to cease from their determined efforts to thrust our goods out of those markets. The Russian prohibitions are in fact now practically unnecessary as regards goods brought into Russian Turkestan from India, for these goods, laboriously and expensively conveyed across Afghanistan by caravan, and subject to transit duties at numerous places between the Khyber and Balkh, cannot compete with goods brought into Turkestan from Moscow by steamer and railway and subject to no transit duties. Our transit trade through Afghanistan with Central Asia may be said to have ceased and trade is now limited to what is required for consumption in Afghanistan. It is easy to understand that, weighted as it is by heavy dues, it must necessarily be restricted, especially when these dues are—as is the case—proportionately much heavier than the dues imposed on competing goods brought from Russian Turkestan into Afghanistan. The following statement of the taxation of tea in transit through the Amir's territory, given by the District Officers at Peshawar, will illustrate the incidence of these duties:

Dues on Kangra tea, first quality, purchased at four annas per pound, per camel load of 450 lbs., average value of the load Rs. 140.

	10	Kabuli rupees at Dakka.
	15	" at Butkhak.
	37½	" at Kabul (town or import duty).
	37½	" " (export duty).
	19 or 12	" as the tea takes the Shaikh Ali or the Bamian route.
	7	" at Khulm.
	9	" at Khulm Tangi.
	7	" between Khulm Tangi and Khilif.

Total 138 Kabuli rupees=Rs. 106, or about 76 per cent.

The tea has further to pay $2\frac{1}{2}$ per cent *ad valorem* at Bokhara, the value being the value there not what was the value at Peshawar. Adding the cost of the conveyance by camel between Peshawar and Bokhara (the hire of a camel from Peshawar to Khilif is Rs. 81-4) it is manifest that it is cheaper to ship tea from Bombay up the Persian Gulf and send it through Persia (where a 5 per cent duty clears it through the country).

The increase of trade in 1889-90 was attributed by the local authorities "to the cessation of disturbances in the dominions of the Amir," namely, the Ghilzai and Afghan-Turkistan troubles. The decline which last year followed that increase is attributed immediately to the rigorous winter which blocked the passes with snow for an unusually prolonged period, to the Amir's quarrel with the Nasir Povindahs, the carriers of the Derajat frontier, who are still forbidden to enter the Amir's territory, and to the uneasiness caused by rumours of the Amir's death. The Deputy Commissioner of Peshawar, however, considers that the conditions of the year's trade were normal. He writes as follows:—

"There has been a revolution in the conditions of Central Asian trade. With this change we cannot contend. The removal of Afghan dues and customs would no doubt lead to some expansion, but it is beyond question that Central Asia is now closed to British

trade, in part owing to the prohibitive Russian customs tariff, in part, where that tariff is not yet in force, by the superior facilities for successful competition afforded to Continental merchants by the railway. In respect of trade with Kabul, which includes consignments to and from Central Asia, the year was one of normal conditions. There was peace in Afghanistan and beyond the Hindu Kush, and the figures for this year are therefore a fair criterion of the effect of the railway and extension of the Russian customs line. Nor were any fresh duties introduced in Afghanistan which could have materially affected trade. The news of the death of the Amir and the very severe winter which blocked the higher passes for a time were a sensible disturbance; but then they affected all articles alike and cannot be held to account for fluctuations in single articles."

Of the exports to Kabul the principal are cotton goods, indigo, sugar, and tea. The figures appended give the exports in the last five years of cotton goods:—

	<i>European.</i>		<i>Indian.</i>	
	Cwt.	Rx.	Cwt.	Rx.
1886-87 .	15,768	217,235	25,243	165,071
1887-88 .	19,260	270,874	19,967	128,360
1888-89 .	15,269	209,236	18,591	120,865
1889-90 .	25,169	380,349	26,013	191,152
1890-91 .	15,493	211,699	13,456	95,793

The next important article, and indeed the only other one of real importance, is tea. The following figures shew the condition of this trade:—

	<i>Foreign.</i>		<i>Indian.</i>	
	Cwt.	Rx.	Cwt.	Rx.
1886-87 .	12,434	134,496	3,655	15,721
1887-88 .	6,529	70,147	2,180	12,927
1888-89 .	8,662	89,415	2,333	10,661
1889-90 .	8,424	88,052	2,655	16,468
1890-91 .	4,479	44,304	4,429	22,900

Kashmir.

158. The trade of the last five years has been as follows in Rx. :—

	Imports.	Exports.	Total.
1886-87 .	487,659	426,174	913,833
1887-88 .	537,284	525,831	1,063,115
1888-89 .	502,265	485,565	987,830
1889-90 .	578,681	563,845	1,142,526
1890-91 .	543,204	565,173	1,108,377

Among the largest imports from Kashmir are ghi, timber, and woollen goods, largely shawls. According to the returns all these have declined, but it appears that no arrangements have as yet been made to register the traffic on the Sialkot-Jamu line of railway—an unaccountable omission—and it is probable that there has been no decrease at all in the trade: it may be that there was an increase. The same remarks apply to the export trade which largely consists of European and Indian cotton piece goods, and in these, according to the returns, there is a material decline. That this omission has vitiated the returns may be gathered from the sudden decline in the value of shawls imported from Kashmir from Rx. 70,830 to Rx. 19,625. Although the trade is far from flourishing, it

is very unlikely that this is a real decline, and on the other hand shawls are an article the transport of which would be effected by railway as soon as communication was established.

• Nepal.

159. The imports and exports of merchandise for the last five years are :

	Imports. Rx.	Exports. Rx.
1886-87 .	1,669,738	860,639
1887-88 .	1,644,006	1,120,148
1888-89 .	1,388,086	1,100,910
1889-90 .	1,542,114	1,258,025
1890-91 .	1,719,548	1,285,397

The bulk of the trade of Nepal crosses the Behar border. The value of the trade of the last three years was as follows in Rx. :—

	1888-89.	1889-90.	1890-91.
Imports into North-Western Provinces .	534,729	484,516	568,990
„ „ Bengal	853,357	1,057,598	1,150,558
	<u>1,388,086</u>	<u>1,542,114</u>	<u>1,719,548</u>
Exports from North-Western Provinces .	350,728	362,358	337,594
„ „ Bengal	750,182	895,667	947,803
	<u>1,100,910</u>	<u>1,258,025</u>	<u>1,285,397</u>

For the second year in succession the importation of food-grains from Nepal has been very large, under the combined stimulus of good harvests on that side of the border and good prices on this side. We imported altogether last year from Nepal 2,871,295 cwt. of food-grains and pulse, most of it being rice and paddy.

The fluctuations in the exports call for no remark.

Karenni and Zimme.

160. The trade practically consists of the import of teak timber floated down the Salween river :—

	From Karenni.		From Zimmé.	
	Tons.	Rx.	Tons.	Rx.
1886-87 .	79,746	315,483	49,073	123,211
1887-88 .	75,797	345,790	65,102	224,040
1888-89 .	92,558	521,629	63,881	303,182
1889-90 .	11,739	75,946	25,164	126,605
1890-91 .	35,894	148,573	29,990	116,459

The re-imposition of the 7 per cent duty had the effect of bringing all available timber down before the duty took effect on 1st April 1889, and for the same reason stocks on hand were cleared before that date. The reduced stocks had to be replenished, but, for the reasons mentioned in the review of the seaborne foreign trade, prices fell heavily.

Western China.

161. The registration of this trade only began in June 1889 and it was at first necessarily so imperfect that no comparison between the figures of last year and those of the ten months of 1889-90 can usefully be made. Imports last year were valued at Rx. 53,435, the principal imports being raw silk and orpiment. Exports were valued at Rx. 108,749, the principal export being raw cotton. Very little cotton cloth or yarn is exported as yet, but these will perhaps follow in due course. When the country along the border is more settled and the caravan routes safer from the attacks of murdering and plundering savages it may be hoped that the trade will largely increase, unless the Chinese provincial official steps in to interfere with and check it.

162. The subjoined list of imports and exports in the trans-frontier trade gives a general idea of the relative commercial importance of each large article of trade and of the principal countries with which trade is conducted:—

	1889-90. Rx.	1890-91. Rx.
IMPORTS.		
Animals: Horses, cattle, sheep and goats, and others	367,839	341,506
[Horses chiefly from Kabul and cattle from Nepal.]		
Drugs and medicines.	76,407	101,815
[Charas chiefly from Ladak; asafoetida and other kinds from Kabul, Kashmir, and Nepal.]		
Fibrous products	52,590	46,993
[Mainly from Nepal.]		
Fruits and nuts	286,842	259,124
[Most largely imported from Kabul and Southern Afghanistan; in smaller proportion from Kashmir and Nepal.]		
Grain: Rice husked and unhusked	566,588	773,994
Other kinds	106,029	141,169
[Rice and other rain crop grains almost entirely from the Nepal terai; other kinds mainly over the North-West frontier.]		

Attention may be drawn here to the extent of our importations of food-grains and pulses over the Indian frontier in the last three years. These have amounted to—

	Cwt.
1888-89	1,686,364
1889-90	2,591,796
1890-91	3,077,540

Our exports in the same three years have been—

	Cwt.		
	518,960		
	472,938		
	397,361		
		1889-90. Rx.	1890-91. Rx.
Hides and skins		101,997	106,195
[From Kashmir and Nepal.]			
Oilseeds		221,716	217,358
[Mainly from Nepal.]			
Provisions : Ghi		341,202	278,607
Other kinds		116,785	171,313
[Half the ghi from Kashmir; the rest from Nepal and Northern Afghanistan; other sorts of provisions chiefly from Nepal and the Shan States.]			
Spices		77,773	81,252
[Kabul, Southern Afghanistan, and Nepal.]			
Tobacco		47,781	32,455
[Mainly from Nepal.]			
Timber		398,924	522,282
[More than half is teak brought down the Salween from Karenni and Zimmé; the rest imported chiefly from Kashmir and Nepal.]			
Wool, raw		242,270	205,743
[Mainly from Southern Afghanistan and Khelat, and in a smaller degree from Thi- bet.]			
Woollen goods, including shawls		159,199	98,187
[Almost entirely from Kashmir.]			

EXPORTS.

The list of exports is not much larger :

	1889-90. Rx.	1890-91. Rx.
Cotton, raw	73,122	130,926
[Mainly to Western China; in smaller quantity to Northern Afghanistan and Nepal.]		
Cotton twist and yarn, European and Indian	54,703	92,165
[To Nepal, the Shan States, and Northern Afghanistan.]		
Cotton piece goods, European and Indian	2,063,816	1,655,991
[Most largely to Nepal, Kashmir, Kabul, and Southern Afghanistan, but exported in more, or less considerable quantities to all countries, these goods constituting the bulk of the ex- port trade. European goods largely exceed in value Indian goods.]		

	1889-90. Rx.	1890-91. Rx.
Indigo.	68,528	45,639
[Mostly to Northern and Southern Afghanistan.]		
Fruits and nuts	72,555	81,736
[Mainly to Nepal and Southern Afghanistan.]		
Grain and pulse	152,228	131,607
[Rice to Southern Afghanistan and Lus Bela ; gram and pulse to Kashmir and Nepal ; other kinds trifling.]		
Metals and Metalware : Brass and copper	119,957	112,653
Iron	67,222	65,321
Others	25,647	22,586
[Mostly to Nepal, Kashmir, and Northern and Southern Afghanistan, the bulk of the copper being exported to Nepal.]		
Provisions	138,165	158,164
[Largely to Nepal ; some salted fish and ngapi also going to the Shan States.]		
Salt	161,244	166,298
[To Nepal, Kashmir, Kabul, and the Shan States.]		
Silk goods	58,697	60,921
[Some to Kashmir and Nepal, but mostly to the States on the western frontier of Burma, Siam, the Shan States, Karenni and Zimmé.]		
Spices	133,082	123,338
[Mostly to Nepal.]		
Sugar	154,199	185,099
[Of refined sugar the exports are mainly for Nepal, Kashmir and Kabul ; unrefined sugar is exported chiefly to Nepal and Kashmir.]		
Tea, Indian and foreign	138,043	106,261
[In 1890-91 exports of Indian exceed those of foreign tea. Kabul takes the bulk of the foreign tea and some Indian tea, but of the latter the largest quantity is exported to Kashmir.]		
Tobacco	54,767	59,722
[Mainly to Nepal.]		
Woollen goods, including shawls	50,359	61,976
[Chiefly to Nepal and Southern Afghanistan.]		

Section III.—Coasting Trade.

CHAPTER IX.

163. The total trade, imports and exports, merchandise and treasure, was in the last ten years—

	Rx.
1881-82 .	53,058,534
1882-83 .	57,326,755
1883-84 .	61,461,631
1884-85 .	58,401,555
1885-86 .	57,598,286
1886-87 .	56,165,363
1887-88 .	60,738,634
1888-89 .	60,166,070
1889-90 .	59,211,043
1890-91 .	65,586,392

164. After two years of stagnation the trade of last year was very active, the increase amounting to nearly 11 per cent. In the coasting trade, imports into one Indian port being exports from another, the actual value of the trade may be taken to be about the mean between the two, or either the import or export value may be taken to represent the actual value of the trade. Taking the export value, the trade of the last two years compares thus, in Rx. :—

	1889-90.	1890-91.
Merchandise (Indian) ..	20,602,449	22,416,965
„ (foreign) .	6,570,235	6,566,577
Treasure .	1,651,528	2,236,590

The figures do not include exports of Government stores or treasure, which last year were valued at—stores Rx. 761,824 and treasure Rx. 2,432,087.

Foreign Merchandise.

165. The largest part of the trade, it will be seen, consists of the exchange of Indian goods, the transport of foreign merchandise coastwise being comparatively small, the proportion being less than 23 per cent of the whole merchandise carried. Most of the foreign merchandise which is consumed in the country does not take the sea again after it is imported, but finds its way inland by rail and river. The small proportion which is sent from the port of import to other parts of the country by sea is mainly exported from Bombay to Karáchi and other ports on the West Coast and from Calcutta to the Burman ports, to Chittagong, and Orissa, all these places being still largely dependent on Bombay and Calcutta for their supplies of foreign goods. Rangoon also is a depôt for the supply of foreign goods to Moulmein and other ports in Burma, and there is a similar dependence on Madras by the other ports of that presidency, so far as their needs are not met from Bombay or

Calcutta. But the bulk of the exports is from Calcutta and Bombay as already stated. This is shewn in the following figures :—

	Rx.
Exports from Bombay .	4,117,596
„ „ Bengal .	1,402,807
„ „ Burma .	553,322
„ „ Madras .	261,800
„ „ Sindh .	231,052
Total .	6,566,577

Thus Bombay and Calcutta together have about 84 per cent of this trade, the share of Bombay being over 62 per cent.

166. The exports coastwise of foreign goods are largely limited to cotton yarn and piece goods, metals (copper and iron), kerosine oil, provisions, and sugar. The trade generally does not give any indication of improvement :—

	Rx.
1886-87 . .	6,629,152
1887-88 . .	6,948,917
1888-89 . .	6,757,844
1889-90 . .	6,570,235
1890-91 . .	6,566,577

As one port after another establishes direct communications with foreign countries, it may be expected that the use of the chief ports of a province as a storehouse for the supply of foreign goods to the smaller places on the coast will tend gradually to diminish. Thus, in the last few years, the trade of Karáchi and Chittagong with Europe has largely augmented; and Colombo has become a convenient depôt for the supply of the Southern Indian ports. On the other hand, improvements in internal communications tend to augment the trade between the smaller and the larger ports. Thus, it has become convenient for Bombay to send supplies of foreign goods to Goa whence they are transported by rail into the country above the Ghâts; Rangoon is not so largely dependent on Calcutta for its supplies as formerly, getting them now direct from Europe, but it has in turn become a depôt for the supply of other places on the Burman coast; and in consequence of improved communications the local manufacture of salt in Northern Orissa has been unable to survive the competition of Liverpool salt imported from Calcutta. Modifications such as these, acting in different directions, seem on the whole to balance each other, and, while the volume of the trade does not seem to increase appreciably, neither on the whole does it seem to diminish materially.

167. A few remarks on the more important articles which were exported last year will shew the general course and direction of this trade.

Cotton yarn : 5,406,000 lbs. About half the exports were shipped from Bombay, chiefly to Karáchi, Goa, the Madras ports on the Malabar coast, and Káthiawár and Kutch. About a fifth of the exports are shipped from Calcutta to Burma, Orissa, Chittagong, and Madras ports. From Rangoon and Madras a certain quantity is shipped to neighbouring ports.

Cotton piece goods (grey) : $86\frac{3}{4}$ million yards, of which $63\frac{1}{4}$ millions were exported from Bombay to Karáchi, the Malabar ports, Káthiawár and Kutch, Goa, and to Calcutta. This latter port shipped under 19 million yards to Chittagong, Orissa, Burma, and Madras.

Cotton piece goods (white) : $58\frac{1}{4}$ million yards. Bombay shipped about $32\frac{1}{4}$ millions, chiefly to Karáchi, smaller quantities going to the Malabar coast and elsewhere. Calcutta shipped about $22\frac{1}{2}$ millions, mostly to Burma.

Cotton piece goods (coloured) : $33\frac{1}{4}$ million yards, of which about two-thirds were exported from Bombay, chiefly to Karáchi and Káthiawár.

Copper : 55,031 cwt., of which 34,765 cwt. were shipped from Bombay mainly to Karáchi, Káthiawár, the Malabar ports of Madras, and ports in the Bombay Presidency. 19,743 cwt. were shipped from Calcutta mainly to Orissa and Chittagong, and also to Bombay, Madras, and Burma.

Iron. The trade in iron is centred at Bombay in an even larger degree than the trade in copper, 14,853 tons having been shipped thence out of 19,309 tons, mostly going to the Malabar ports, Káthiawár, Karáchi, and Goa. From Calcutta some was sent to Madras and Burma.

Oil, Kerosine. This also is mainly a Bombay trade, 6,288,000 gallons having been shipped thence out of a total export of 7,380,000 gallons. It was sent to the Malabar ports, to Karáchi, Goa, Káthiawár; in fact, the whole West Coast is supplied with Kerosine oil from Bombay, the only exception being the quantity which is brought direct to Karáchi by foreign-going steamers. Calcutta and Rangoon similarly supply the Bengal and Burman ports respectively. There is but little shipped from Madras, and it must be inferred that the people on the Coromandel Coast have not yet learnt the advantages of mineral oil as an illuminant, or that it is still too expensive for them.

Provisions. Also almost exclusively a Bombay and Karáchi trade.

Salt. Salt is made all over the Indian coasts and is not imported in any quantity from foreign countries except into Bengal and Burma. There is but little coastwise trade therefore in foreign salt, and what there is consists of an export from Calcutta to Orissa in the northern districts of which province the local manufacture was so wastefully and inefficiently conducted that it has been unable to resist the competition of Liverpool salt. Exports from Bengal have increased from 12,663 tons in 1889-90 to 16,197 tons last year.

Sugar. The trade is, nearly altogether, in refined sugar. The exports rose from 289,688 cwt. in 1889-90 to 402,223 cwt. last year, the increase following on the very large imports of sugar from countries during the year to which reference has been made in other sections of the review. The trade is centred

almost entirely in Bombay whence supplies were sent to the whole West Coast Káthiawár and Kutch taking more than half of the whole quantity.

Woollen piece goods. About $1\frac{1}{2}$ million yards, of which over one million were shipped from Bombay, chiefly to Karáchi, the Malabar ports, and Burma.

Indian Merchandise.

168. The dimensions of this trade are between three and four times larger than those of the trade in foreign merchandise. The trade is also in other respects of greater importance, giving as it does an indication of the extent to which the various parts of India interchange their respective productions and the character of those productions. Much of the trade consists of articles which are merely sent from the smaller to the larger ports for convenience of export to foreign countries, but a material proportion of the trade also consists of articles intended for local use and for manufacture into articles which are partly exported and partly locally consumed.

169. The following figures give the recorded values of the exports in each of the past five years :—

	Rx.
1886-87	18,518,927
1887-88	20,917,114
1888-89	20,954,550
1889-90	20,602,449
1890-91	22,416,965

The values of imports of Indian goods are much larger every year than the values of exports as the following figures shew :—

	Rx.
1886-87	20,850,668
1887-88	23,340,125
1888-89	23,136,488
1889-90	23,315,951
1890-91	26,581,110

170. This is the reverse of what we see in the case of foreign goods in which the exports always exceed the imports. The reason is that in the case of foreign goods the flow of the coasting trade is outwards towards the smaller ports and to foreign-Indian ports, the records of which latter are not incorporated in our trade accounts. In the case of Indian merchandise the flow of the trade is, as mentioned above, towards the chief ports of a province which receive goods from the smaller ports and from foreign-Indian ports. There are certain important exceptions, such as cotton twist and piece goods and manufactures of jute, the trade in which consists of exports from Bombay and Calcutta, but the largest proportion of the trade is inwards to the larger ports. The treatment of this part of the trade therefore, in order to afford a fair idea of its flow and dimensions, must be different from the treatment of the trade in foreign merchandise in discussing which account was taken of exports only.

171. The principal articles in the trade are mentioned below, in the order of their importance, and placed against them are their import values in the last two years, that is, the value of the imports into British Indian ports:—

	1889-90.	1890-91.
	Rx.	Rx.
1. Cotton, raw	3,984,187	5,429,809
2. Grain and pulse . . .	3,623,702	4,494,350
3. Cotton manufactures, in- cluding twist and yarn .	1,753,704	2,016,576
4. Jute manufactures . .	1,231,946	1,525,141
5. Spices	1,384,095	1,314,806
6. Seeds	976,335	1,163,681
7. Teak timber	850,828	943,323
8. Jute, raw	1,164,136	918,360
9. Salt	738,652	905,368
10. Provisions	719,810	817,548
11. Cocoanuts and Kernel .	721,496	748,529
12. Oils	630,862	624,895
13. Sugar	653,662	619,936
14. Tobacco	459,407	500,590
15. Hides and Skins . . .	470,841	460,214
16. Timber and wood, other than teak	420,692	405,808
17. Spirits	347,015	342,347

The apportionment of the trade between the different provinces will be seen from the figures of last year's trade given below:—

	Imports.	Exports.
	Rx.	Rx.
Bengal	4,817,113	6,430,702
Bombay	13,242,527	7,937,410
Sindh	764,111	1,164,904
Madras	4,331,027	4,673,459
Burma	3,426,332	2,210,489

The following are the most noticeable and important articles in the trade.

Coal.

172. Coal commenced to figure pretty largely in the coasting trade returns only three years ago, and in that time the trade has trebled. Last year Burma imported 64,244 tons, and Madras 20,214 tons, from Bengal. It is to be hoped that nothing will occur to interfere with the progress of this trade, and that the industrial development of the other provinces may be assisted by cheap coal from the mines of Bengal.

Cotton.

173. There was a large increase in the trade during the year, the quantity (over two million cwts.) being 35 per cent in excess of the previous year. Most of it was imported into Bombay, to be exported to foreign countries or to feed the local mills, from Káthiawár, Goa, Karáchi, Karwar and Kumta. Largely increased supplies were received from Káthiawár in the year. Bengal is also an importer of cotton from Bombay, Madras, and Burma. The Calcutta cotton mills are at a disadvantage in comparison with those of Bombay in having to obtain their cotton from long distances by rail and sea.

174. The exports of twist by sea have nearly doubled in the last five years— *Cotton twist and yarn.*

	lbs.
1886-87 .	18,725,000
1887-88 .	20,256,000
1888-89 .	22,400,000
1889-90 .	26,324,000
1890-91 .	35,169,000

This trade is largely centred in the Bombay Presidency from which 24,648,000 lbs. were exported last year, being an increase of 20 per cent in the year. Bombay sends its twist all over India, but chiefly to Calcutta and Madras, thus—

	lbs.
To Calcutta	10,832,000
To Madras Presidency	6,019,000
To Burma	2,749,000
To Karáchi	744,000
To Kutch and Káthiawár	1,540,000
To Goa	786,000

and small quantities to other places.

Bengal also exports twist, chiefly to Burma, but the quantity is very small compared to the quantity exported from Bombay.

The exports of Indian twist from Bombay, Bengal, and Madras respectively in the last five years have been as follows (in million lbs.) :—

	From Bombay.	From Bengal.	From Madras.
1886-87 .	16.48	2.02	0.16
1887-88 .	17.86	1.93	0.44
1888-89 .	18.9	2.43	1.03
1889-90 .	20.51	4.93	0.78
1890-91 .	24.65	9.46	1.02

175. Of this trade Bombay possesses the largest share in a still greater degree than the trade in twist. Indeed, with the exception of a very small export *Cotton piece goods (grey).* from Madras, Bombay may be said to have the monopoly of the trade. Last year there were imported into the other Presidencies from Bombay 41,373,384 yards besides 2,616,762 yards imported into the ports of the Presidency itself and over half a million brought in from Káthiawár—altogether about 44½ million yards. This trade has increased much in recent years, the exports from the port of Bombay to places outside the Presidency having been as follows (in yards) :—

	1886-87.	1887-88.	1888-89.	1889-90.	1890-91.
To Bengal	9,722,604	9,164,002	11,538,655	11,950,605	12,587,844
„ Madras	1,080,624	1,263,736	1,812,644	1,790,310	1,708,493
„ Burma	431,833	492,421	287,558	427,406	275,342
„ Sindh	16,175,956	13,562,332	16,698,380	16,692,407	18,421,134
„ State of Travancore	55,063	70,040	126,233	151,957	160,341
„ Pondichery	185,732	130,270	114,960	510,256	8,000
TOTAL	27,651,812	24,682,801	30,578,430	31,522,941	33,161,154

In other kinds of cotton piece goods the trade is relatively small and requires no remarks.

Drugs, medicines, and narcotics: Tobacco.

176. Tobacco is the only article requiring notice under this head. It is chiefly imported in the form of leaf tobacco into Burma from Bengal (10 $\frac{3}{4}$ million lbs.) and from Madras (7 million lbs). From Madras more tobacco, in the form of cigars, is sent to other provinces, chiefly to Bengal and Burma. The total imports of Madras cigars into the other provinces last year was 313,618 lbs.; in the preceding year they amounted to 316,000 lbs. It might be supposed, judging from the extent to which Europeans in India smoke these cigars all over the country, that the trade should be larger. But considerable quantities are sent by rail to Bombay and the central parts of the country. The imports of cigars from Burma are comparatively very small now, these cigars having fallen much (and deservedly) out of favour and being unable to compete with the improved cigars now made in Madras.

Fruits and vegetables: Cocoanuts and cocoanut kernels.

177. These are really material for the manufacture of oil for the most part, and can hardly be regarded as a fruit, though some of the entire cocoanuts are no doubt so used. Cocoanuts are most largely imported into Bombay from Travancore, the British ports on the Malabar coast, and Goa, and the kernels are also imported into the same place from the Malabar ports and Travancore.

Grain pulse.

and 178. Next to the trade in cotton, the trade in food-grains is the largest in the coasting trade.

The quantity of the imports in the last two years compares thus:—

	1889-90.	1890-91.
	Cwt.	Cwt.
Gram	401,303	423,830
Jawar and bajra	362,401	264,116
Pulse	535,233	670,102
Rice and paddy	7,143,383	9,568,824
Wheat	431,569	893,548
Other sorts . . .	433,697	391,782

Gram and pulse are most largely imported into Madras, in both cases in increased quantities during the year.

Jawar and bajra are mostly brought into Bombay from Karáchi, Káthiawár, and Goa.

Wheat also is mainly brought into Bombay from Karáchi and Goa, from which latter place the imports amounted to 401,000 cwt. in the year, being double the imports of the preceding year. This increase of trade is the effect of joining Goa to the Southern Maratha Country by rail and of linking Goa to Bombay by rapid and frequent steamers.

Other sorts of grain are also mainly brought into Bombay from Bengal, Sindh, Goa, and Káthiawár.

Of all the food-grains much the largest trade is done in rice, husked and unhusked. Rice in the husk is mainly imported into Madras which also imports much husked rice. Excluding the trade between ports in that Presidency, the

following figures shew from what external sources Madras obtained the rice and paddy which reached it in the last two years :—

	1889-90. Cwt.	1890-91. Cwt.
From Bengal	905,654	1,791,854
„ Burma	225,685	755,539
„ Bombay	127,742	342,419
„ Sindh	41,748	84,155
„ Travancore	342	10,209
„ other places	2,817	21,261
	<u>1,303,988</u>	<u>3,005,437</u>

This great increase of the imports in the year was the consequence of the failure of crops in some of the Madras districts. As soon as matters began to look serious in November 1890 and prices to rise, traders began to pour in rice from Bengal, Burma and other places. It has been said that in such cases the “ordinary economic laws” (by which phrase is meant in this connection the expectation of profit) are slow to work and that prompt action by the State is necessary. The fallacy of this remark has been so often proved before that its survival would be astonishing if we did not know how hard it is to remove the fallacies of unreasoning people. State intervention in such cases for the importation of food should be resorted to only when ordinary trade fails entirely: if the State intervenes when trade is able to do its work, traders stand aloof, the labour and difficulty are doubled, and the cost enormously enhanced. Given the existence of supplies and the means of transporting them to the places where they are required, experience shews that the operation of the “ordinary economic laws” brings in the supplies where they are wanted immediately and adequately.

The importations of rice into Bombay from the other Presidencies somewhat declined in the year, falling from 2,530,000 cwt. to 2,334,000 cwt., probably as the consequences of higher prices which diverted supplies to Madras.

179. With the exception of a small quantity sent from Calcutta to Madras, *Jute.* this trade is limited to the import of jute into Calcutta from Narainganj *via* Chittagong. There was a decline in the trade in the year, exporters, it is said, finding transport to Calcutta by inland waters of more advantage than transport by sea.

180. This is exclusively a Bengal trade, that is, the bags are all originally shipped from Calcutta to various ports, the larger ones being used as depôts *Jute manufactures:* whence bags are reshipped to other smaller places where they are wanted. The *Gunny bags and gunny cloth.* imports into other provinces very largely increased in the year, great numbers of bags being required to provide for the extremely active export of rice from Burma to foreign ports. In 1889-90 Burma imported from Bengal under 12 million bags: last year that province imported 16,835,000 bags.

Bombay is an even larger consumer of gunny bags than Burma. Last year Bombay received from Bengal over 19 million bags compared with less than 12 millions in 1889-90, the increase being mainly to meet the demand which in January and February seemed likely to arise in connection with the export of wheat and oilseeds.

The total number of bags exported from Bengal to places outside the Presidency was, in—

1889-90 . .	36,200,822
1890-91 . .	52,379,394

Gunny cloth is chiefly imported into Bombay from Bengal: last year Bombay imported 10½ million yards and Madras about a million. There was a rather large decline in the trade, but it is not an extensive business compared with that in bags.

Liquors.

181. Though in the aggregate an extensive trade, this is almost entirely limited to internal transport of country liquor from one place to another inside the Bombay Presidency and from Bombay to Karáchi. There is also some similar internal traffic in Madras.

Oils.

182. About 811,000 gallons of petroleum were imported into Bengal from Burma which was just a little more than in the preceding year.

Castor oil is imported into Burma, Bombay and Bengal from Madras, and also from the Gaekwar's territory into Bombay.

Cocanut oil is also mainly an importation from the Madras (Malabar) ports into Bombay and (in smaller quantity) into Burma and Bengal.

Burma also receives a tolerably large quantity of earthnut oil from Pondichery. It is used by the natives of Madras in Burma for cooking, for which purpose it is an excellent oil.

Provisions.

183. Ghi is chiefly imported into Burma from Bengal and Madras and into Bombay from Káthiawár. It is a somewhat extensive trade.

So also is the trade in salted fish, which is imported into Bombay from Sindh, Madras, the Portuguese Settlements and Káthiawár. Bombay also imports large quantities of dried fish (unsalted) from Káthiawár and the Portuguese Settlements, and Burma imports it from Travancore and Madras.

Salt.

184. The coasting trade in salt consists of imports into Calcutta from Bombay and (in small quantity) from Madras; to the Malabar ports and Travancore from Bombay; and some small traffic between Goa and Bombay. The important part of the trade is the import into Bengal (21,158 tons) and into the Malabar ports (45,124 tons). The extent and fluctuations of the former are dependent on conditions of freight, the trade falling off when good outward freights are obtainable in Bombay. The Malabar ports are almost entirely dependent on Bombay for their supply of salt which finds its way through them into the interior of the country. Exports from Bombay to Goa appear to be increasing, and as Bombay salt is both cheaper and better than the salt made in Goa, it is possible that it may eventually supersede Goa salt in the country above the Ghâts and perhaps in Goa itself.

Seeds.

185. Castor seed was imported in unusually large quantity (395,000 cwt.) from Madras into Bengal where local supplies proved insufficient during the year. Earthnuts are also mainly an import into Bengal from Madras and Pondichery, Burma also taking smaller quantities from the same places.

Linseed and til seed are imported into Bombay from Goa, but neither to any great extent. Bombay also imports rapeseed in small quantities from Calcutta and Karáchi, Burma and Bengal also import til seed from Madras.

Although the trade in the aggregate is large, in no separate kind is the traffic really extensive.

186. There is a considerable trade in betelnuts which are extensively imported into Burma from Bengal (nearly 23 million lbs. last year). Bombay also imports them largely from Bengal, Madras and Goa: Bombay and Bengal also import cardamoms and pepper, the former from Madras and the latter from Travancore as well as from the Malabar ports. *Spices.*

187. The bulk of the refined sugar which is imported is brought into Bengal, Bombay and Burma from Madras, the total imports into these provinces from Madras being 97,000 cwt. Of unrefined sugar also the principal imports are from Madras into the same provinces (89,000 cwt.), but the main part of the trade consists of internal transport between ports in Bombay. *Sugar.*

188. The trade is still very small. Bombay received 829,000 lbs. from Calcutta, and 44,000 lbs. from Travancore. Imports into the other provinces are very small. *Tea.*

189. Burma exported 136,307 tons against 110,565 tons in 1889-90, the increase affording some compensation for the decline in the exports to foreign countries. Burman teak is taken by all provinces. In other descriptions of wood and timber the trade is of relatively small importance. *Teakwood.*

General.

190. The trade is classed under three heads: (1) between ports in different Presidencies; (2) between ports in the same Presidency; (3) between British and non-British ports. The first of these is much the most important, the last is the least important. The exports of merchandise in the last four years are thus recorded in Rx. :—

	1887-88.	1888-89.	1889-90.	1890-91.
To ports in other Presidencies .	15,422,162	14,958,748	14,591,045	16,290,194
To ports within the Presidency .	9,491,819	9,383,036	9,415,972	9,414,965
To non-British ports .	2,952,050	3,370,611	3,165,667	3,278,383

191. The following table gives the totals of the trade in merchandise in each of the last five years for each province in Rx. :—

	1886-87.	1887-88.	1888-89.	1889-90.	1890-91.
<i>Bengal :</i>					
Imports .	4,937,341	5,285,334	5,008,572	4,955,879	5,552,017
Exports .	6,836,612	7,937,832	7,202,850	7,027,769	7,833,509
<i>Bombay :</i>					
Imports .	11,093,836	12,870,946	12,860,227	12,627,403	14,010,906
Exports .	10,947,082	11,693,168	12,167,988	11,653,021	12,055,006
<i>Sindh :</i>					
Imports .	2,326,873	2,085,507	2,090,122	2,092,328	2,152,112
Exports .	1,102,519	1,507,408	1,507,177	1,503,534	1,395,957
<i>Madras :</i>					
Imports .	4,416,765	4,461,454	4,331,340	4,879,425	5,751,898
Exports .	4,156,902	4,445,826	4,694,455	4,604,355	4,935,259
<i>Burma :</i>					
Imports .	3,996,221	4,445,803	4,321,651	4,108,172	4,611,334
Exports .	2,104,963	2,281,797	2,139,925	2,384,005	2,763,811

Coasting shipping.

192. The following table gives the number and registered tonnage of the vessels engaged in the coasting trade during the last five years (ooo's omitted in tonnage) :—

Entered.

	STEAMERS.		SAILING VESSELS.		NATIVE CRAFT.	
	No.	Tons.	No.	Tons.	No.	Tons.
1886-87	6,807	6,325	2,879	326	175,865	2,899
1887-88	7,342	7,310	3,237	332	184,104	3,164
1888-89	7,316	7,246	3,241	245	185,659	3,089
1889-90	7,847	7,643	2,959	227	182,155	3,006
1890-91	8,751	8,673	2,565	202	166,113	2,826

Cleared.

1886-87	6,794	6,286	2,893	308	159,041	2,796
1887-88	7,303	7,238	3,301	314	166,928	2,955
1888-89	7,307	7,213	3,370	252	167,221	2,953
1889-90	7,844	7,617	3,066	233	165,673	2,881
1890-91	8,759	8,717	2,550	193	153,824	2,682

193. The increase of trade in the year was accompanied by a corresponding increase in the number of the steamers employed in the trade. There was no such increase in the number of the sailing vessels and native craft also engaged in the trade; on the contrary, there was a decline in both the numbers and tonnage of these, and they are gradually being superseded by steamers whose tonnage now amounts to about 75 per cent of the whole. Sailing vessels (other than native craft) are indeed retiring rather rapidly from the business. For native craft there will still for a long time to come be room for occupation in the carriage of the cheapest and bulkiest goods between the smaller ports which it is not worth the while of a steamer to enter.

SIMLA;

J. E. O'CONOR.

August 28, 1891.

Government of India,
FINANCE AND COMMERCE DEPARTMENT.

REVIEW
OF THE
TRADE OF INDIA
IN
1892-93.

- I.—Foreign Sea-borne Trade.
- II.—Trans-Frontier Trade.
- III.—Coasting Trade.

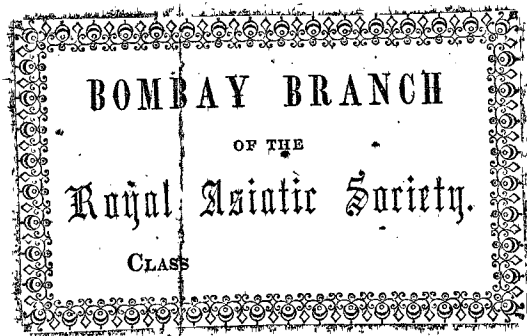
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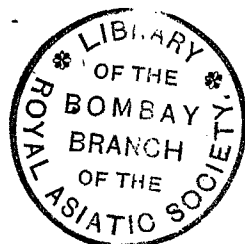
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THE TRADE OF BRITISH INDIA

WITH
FOREIGN COUNTRIES

for the official year ending March 31, 1893.

Section I.—Sea-borne Foreign Trade.

CHAPTER I.

General Summary.

The trade of the last four years compares thus :—

<i>Imports—</i>		1889-90.	1890-91.	1891-92.	1892-93.
		Rx.	Rx.	Rx.	Rx.
Merchandise	. . .	66,560,121	69,034,900	66,587,457	62,605,030
Gold	. . .	5,071,027	6,500,832	4,118,929	1,781,789
Silver	. . .	12,388,274	15,418,654	10,603,733	15,228,021
Total Imports	. . .	84,019,422	90,954,386	81,310,119	79,614,840
<i>Exports—</i>					
Foreign merchandise re-ex-					
ported	. . .	4,295,808	4,233,529	4,485,179	4,590,290
Indian merchandise	. . .	99,101,055	95,902,193	103,550,831	101,945,707
Gold	. . .	455,723	864,660	1,705,137	4,594,472
Silver	. . .	1,386,196	1,207,246	1,438,049	2,334,522
Total Exports	. . .	105,238,782	102,207,628	111,179,196	113,464,991

The total trade—imports and exports together—was—

1888-89	. Rx.	179,096,946
1889-90	. „	189,258,204
1890-91	. „	193,162,014
1891-92	. „	192,489,315
1892-93	. „	193,079,831

Trade has thus made no advance during the last three years. In the five years since 1888-89 the increase in trade values has been under 8 per cent, which is but a slow rate of increase.

Including Government transactions the aggregate trade of the five years, was—

1888-89	. Rx.	182,119,306
1889-90	. „	192,023,710
1890-91	. „	196,260,382
1891-92	. „	195,615,323
1892-93	. „	196,829,486

Government transactions were large last year in the importation of ordnance stores, iron, and railway material.

A general view of our trade for the last quarter of a century gives the following features. The total value, including specie as well as merchandise and imports and exports on account of Government, was—

1. Annual average, five years ending 1871-72	. 102,349,797	
2. Annual average, five years ending 1876-77	. 102,050,970 = 0.3	per cent decline.
3. Annual average, five years ending 1881-82	. 127,945,868 = 25.37	„ increase.
4. Annual average, five years ending 1886-87	. 156,276,284 = 22.14	„ increase.
5. Annual average, five years ending 1891-92	. 186,799,483 = 19.53	„ increase.

Last year's trade was but 3.3 per cent in excess of the annual average of the preceding five years.

The trade of India has in fact been very unfavourably affected in the last three years. In 1890-91 its course was violently interrupted by a sudden and rapid rise in exchange followed by an equally sudden and rapid fall. In 1891-92 exchange fell still further and heavily, and a reaction in the import trade followed the temporary stimulus given to it by the rise in exchange in the preceding year. Trade generally was depressed, except in wheat and seeds for which there was a large demand arising out of the failure of the Russian and other European harvests. In 1892-93 this demand no longer existed and the depression of trade continued, accompanied by a further fall in exchange so continuous and persistent as to create grave anxiety. Imports were greatly reduced in volume, merchants being reluctant to import and dealers to buy while exchange remained in such conditions that transactions might involve them in the most serious embarrassments. Exports also were restricted, by reason partly of lack of demand in Europe where trade was generally much depressed, partly of abundant supplies from other countries, and partly of more or less unfavourable harvests in India.

A large number of our staple imports declined either in quantity or value, or in both, during the year, a decline being visible in such important items as cotton yarns and piece goods, woollen goods, apparel, copper, iron, steel, tin, zinc, railway materials, coal, salt, sugar, tea, spices, raw silk, hardware and cutlery, glassware, and paper. There were increases in beer, spirits, provisions, machinery, mineral dyes, mineral oils, manufactured silk, matches, umbrellas, and some other items; but they are of no importance in comparison with the decline in the articles mentioned above.

In the export trade the articles which declined either in quantity or in value, or in both, were: coffee, rice, wheat, other grains and pulse, provisions, sugar, tea, opium, myrabolams, castor oil, hides (raw), linseed, poppy seed, earthnuts, coir, shell and button lac.

There were, on the other hand, increases in raw cotton and cotton yarn and piece goods, in jute and jute goods, indigo, castor, rape, and til seed, silk and wool, teak, and skins (raw). The increases in these articles, however, did not suffice to counterbalance the decline in other staples, especially in wheat, and on the whole the export trade was less by $1\frac{1}{2}$ per cent in value than the trade of the preceding year. In 1891-92 the failure of harvests in Europe caused such an expansion of the wheat trade as to save the export trade generally from shewing an appreciable decline. Last year the position was reversed, for the export trade generally would have shewn an appreciable increase but for the restriction of the wheat trade within normal limits.

CHAPTER II.

Imports of Merchandise.

The values of imported merchandise since 1869-70 stand thus :

	Exchange. d.	Rx.
<i>Annual average, 1869-70 to 1873-74</i> .	22'770	31,837,600
<i>Annual average, 1874-75 to 1878-79</i> .	20'981	36,603,400
<i>Annual average, 1879-80 to 1883-84</i> .	19,774	47,950,000
<i>Annual average, 1884-85 to 1888-89</i> .	17'656	58,515,400
1889-90 .	16'565	66,560,120
1890-91 .	18'089	63,034,900
1891-92 .	16'733	66,587,457
1892-93 .	14'984	62,605,030

The value of the trade last year was nearly 6 per cent less than in the preceding year, and was just about the same as in 1887-88, six years ago.

Taking the prices of March 1873 as = 100, the following table shows the variations in the prices of staple imports since then at Calcutta :—

	Grey shirtings, 8½ lb.	Mule twist, grey yarn, Banner mills, No. 40.	Mule twist, Turkey red, No. 40.	Copper, sheathing.	Iron, flat, bolt, &c.	Total.
March 1873 .	100	100	100	100	100	500
June 1874 .	97	92	106	95	108	498
March 1875 .	86	92	102	103	93	476
" 1876 .	85	90	92	99	79	446
January 1877 .	78	90	85	92	67	412
" 1878 .	73	78	87	86	60	384
" 1879 .	76	75	78	80	56	365
" 1880 .	81	84	75	83	73	396
" 1881 .	82	82	69	81	56	370
" 1882 .	78	84	69	89	71	391
" 1883 .	82	74	54	80	60	350
" 1884 .	75	74	62	77	62	350
" 1885 .	76	72	58	64	54	324
" 1886 .	84	67	57	57	50	315
" 1887 .	81	62	57	65	53	318
" 1888 .	79	75	59	90	61	364
" 1889 .	81	75	57	98	65	376
" 1890 .	76	74	57	69	79	355
" 1891 .	74	70	56	71	62	333
" 1892 .	74	64	57	72	64	331
" 1893 .	77	74	61	80	97	389
July 1893 .	71	70	62	85	100	388

The following are the largest articles in the import trade. Against each is set its increase or decrease per cent in value in the last three years :—

	1890-91.	1891-92.	1892-93.
Apparel	+ 4	+ 3'6	— 1
Coal	+ 17'9	— 18'9	— 8'7
Cotton manufactures .	+ 3'8	— 7'5	— 10'6
Drugs, medicines, and narcotics	+ 21'7	+ 2'9	+ 1'9
Glass and glassware .	+ 0'4	+ 11'9	— 7'8
Liquors	— 2'8	+ 1'3	+ 0'3
Machinery and millwork	— 15'2	+ 2'3	+ 11'7
Metals	+ 0'6	+ 0'7	— 4'2
Oils	— 0'4	+ 0'06	+ 10'7
Provisions	— 7'5	+ 20	+ 5
Railway material . .	+ 9'9	— 25'8	— 30'5
Salt	— 12'9	— 19'4	— 8'1
Silk, raw and manufac- tured	— 12	+ 20'5	— 6'5
Spices	— 4'6	— 1'9	— 21'7
Sugar	+ 54'5	— 24'6	+ 2'4
Woollen goods . . .	+ 24'9	— 3	— 13'5

In such important items as cotton manufactures, railway material, metals, woollen and silk goods, salt, coal, apparel, there was a more or less heavy decline in the year, the decline in several cases following on a reduced trade in the preceding year.

For each of the classes under which the items are grouped in the trade returns the values of the trade in the last five years are stated below in Rx. :—

	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.
1. <i>Animals, living (mostly horses)</i>	295,300	239,708	295,430	293,257	300,673
2. <i>Articles of food and drink</i>	7,469,086	7,867,666	8,628,852	8,176,797	7,950,818
3. <i>Metals and manufactures of metals, includ- ing hardware and cutlery, machinery and millwork, and railway plant and rolling stock</i>	9,966,327	11,058,900	10,909,477	10,489,836	9,991,813
4. <i>Chemicals, drugs, medicines and narcotics, and dyeing and tanning materials</i>	1,195,801	1,280,334	1,397,479	1,535,216	1,615,097
5. <i>Oils</i>	2,072,825	2,645,213	2,634,187	2,635,955	2,919,162
6. <i>Raw materials and unmanufactured articles.</i>	4,115,681	3,725,259	4,032,765	3,828,052	3,604,278
7. <i>Articles manufactured and partly manufac- tured</i>	41,455,297	39,743,039	41,136,710	39,628,342	36,223,187

Articles of Food and Drink.

Coffee.

The relatively large imports in 1891-92 were followed by an equally great reaction, the imports of the year having declined to the lowest point touched for many years. The imports of food-grains also, which had been attracted by high prices in 1891-92 in unusual quantity, fell off largely, the imports of wheat returning to the normal scale.

Food-grains.

Liquors.

Under this head the increase in malt liquor, which has been so marked since 1886, still attracts attention. Last year 3,052,894 gallons were imported, being nearly three times the average quantity imported before 1886. The bulk of the beer is imported from the United Kingdom, the imports from Germany being only 118,000 gallons, but the quantity of German and Austrian beer drunk in India is not quite accurately indicated by the place of shipment, some still being imported indirectly from Germany and Austria by way of England. Thus there were imported into the port of Calcutta alone in the year 147,000 gallons of German and Austrian beer.

The competition of Indian with imported beer does not develope. There has been no increase since 1887 in the quantity brewed which in 1892 amounted to 4,831,000 gallons. Of this 2,748,000 gallons were bought by the Commissariat for the troops. In Madras and Bombay the Government has withdrawn from the supply of beer to the army, and this withdrawal partly accounts for the increase in the quantity of beer imported.

While the imports of beer have increased year by year those of spirits present a strong contrast, for it may be said that these have remained stationary since 1886, the year when the increase in the imports of beer commenced. In the last ten years the imports of spirits have been—

	Gallons.		Gallons.
1883-84	894,420	1888-89	1,119,367
1884-85	857,970	1889-90	1,100,414
1885-86	936,984	1890-91	1,055,984
1886-87	1,064,386	1891-92	1,010,247
1887-88	1,084,487	1892-93	1,057,347

Of these imports about 42 per cent (440,691 gallons) were whisky and 25 per cent (267,665 gallons) were brandy. Gin follows next with 102,860 gallons. As a spirituous drink whisky continues to hold the field and brandy is distinctly out of favour, for genuine brandy is not easy to get except at a price which places it out of reach of most Anglo-Indians. The cheaper brandies (so-called) may be said generally to be unfit for consumption.

Not all the spirits imported are intended for consumption as potable spirit. In the quantity imported last year there were 39,110 gallons of spirit in drugs and 14,186 gallons of perfumed spirit.

The consumption of wines continues to decline. For the last ten years the imports have been appreciably contracting, and in 1892-93 the quantity imported was smaller than it has been for fifteen years, amounting to no more than 336,000 gallons, claret and port being the favourites. Champagne and sherry are neglected, the former because few can afford it and the latter because it is no longer liked.

The principal specified items under this head are dates and other dried fruits, salted fish, and ghi. A very large proportion of the imports is, however, unspecified as "other sorts," being too numerous for separate specification.

Of salted fish the bulk is brought from the Straits to Burma and so largely has the trade developed since the salt duty was increased in that province in January 1888 that it has been found necessary to impose an import duty on it equivalent to the rate of duty on salt used in the local curing of fish. Since 1888 the imports of dry salted fish have doubled, and the importation of wet salted fish (ngapi), which amounted to nearly 14,000,000 lbs. last year, is a new trade started since 1888.

The trade in dried fruits is largely confined to Western India. Of 839,682 cwt. of dates as much as 735,245 cwt. were imported into Bombay and Karachi, and of other sorts of dried fruits 81,034 cwt. out of 103,058 were received at those two ports, the dates and other sorts of fruit being shipped from the Persian Gulf.

Similar remarks apply to the trade in ghi which is shipped from the same place and the Mekran Coast.

The trade in provisions has increased in ten years from Rx. 1,033,932 to Rx. 1,862,054, an increase of 80 per cent.

Salt.

There has been a continuous decline in importations since 1889-90 :—

	Tons.
1888-89 .	398,810
1889-90 .	410,808
1890-91 .	395,243
1891-92 .	373,953
1892-93 .	360,042

Salt is imported almost entirely into Bengal and Burma, and the imports into these two provinces in the five years are as follow :—

	Bengal.	Burma.
1888-89 .	373,204	24,460
1889-90 .	364,004	46,506
1890-91 .	337,526	7,452
1891-92 .	319,469	54,162
1892-93 .	325,101	34,665

Although the importations have fallen off, the consumption of salt in India generally has increased during this period from year to year, the quantities which paid duty having been—

1888-89 .	31,355,910	Indian maunds.
1889-90 .	33,048,920	„
1890-91 .	33,291,643	„
1891-92 .	34,451,248	„
1892-93 .	35,051,391	„

It follows therefore that salt of Indian manufacture has been to some extent taking the place of imported salt. This displacement must be attributed to the cheapness with which Indian salt can now be placed by railway in localities hitherto more cheaply supplied, notwithstanding the difference in price, with imported salt. The price of salt in India is in fact, after the duty, mainly affected by cost of transport.

The price of imported salt has been considerably reduced since the English Salt Syndicate put up the price in 1888, as will be seen from the average prices of Liverpool salt at Calcutta quoted below :—

	Rupees per 100 maunds.		Rupees per 100 maunds.
1882-83 .	51·9 to 60·4	1890-91 .	71·2 to 81·2
1888-89 .	88·3 to 102·6	1891-92 .	57·5 to 69
1889-90 .	89·8 to 98·2	1892-93 .	58·5 to 65·1

Prices have, however, been run up again considerably during the present year, and at present they range from Rs. 74 to 78.

The sources of supply are as follow :—

	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.
United Kingdom .	337,089	285,767	273,008	222,260	241,061
Germany .	7,711	45,439	60,540	103,403	47,391
Arabia .	20,129	35,736	11,322	9,840	25,887
Aden .	17,397	33,782	36,662	33,969	37,282
Other countries .	16,484	10,084	13,711	4,481	8,421
	<u>398,810</u>	<u>410,808</u>	<u>395,243</u>	<u>373,953</u>	<u>360,042</u>

There was a considerable decline in imports from Germany, largely due, it is said, to the dislocation of trade caused by the outbreak of cholera at Hamburg, and the reduction was not quite made up by increased imports from the United Kingdom and other countries. Liverpool salt, it is clear, has not recovered from the effects of the competition started by Germany four years ago, and now other countries are beginning to send salt to India. Last year about 6,000 tons of salt came from Suakin, where a Company from Egypt is working a concession, and some quantity also was received from South America and from Asiatic Russia. The competition of South America to which allusion was made in reviewing the trade of 1891-92 is as yet ineffective, the quantity imported being only 654 tons, and the salt is said to have met with no favour in Burma.

These consist mainly of betelnuts, cloves, and pepper. Cloves are imported from Zanzibar to Bombay whence a material proportion is re-exported to England. The trade diminishes as facilities increase for direct shipment from Zanzibar to the West, and it is reported also that the cultivation is beginning to decline with the abolition of slavery. Betelnuts are imported from the Straits and Ceylon into Bengal and Madras in large quantities to supplement local production which is insufficient for the supply of the consumers of *pán-supári*, and pepper is brought from the Straits to Bengal in competition with Indian pepper produced in other provinces and in Travancore.

Spices.

The importation of spices is a fairly large trade averaging about Rx. 829,000 up to last year when it fell to Rx. 623,000. There was in fact a continuous though not large decline in each of the four years preceding 1892-93 owing to the restriction in the trade in cloves, and last year there was a heavy fall in consequence of an absence of demand for betelnuts, local production having been large.

The imports in 1890-91 reached the large quantity of 2,932,000 cwt. They fell in 1891-92 to 2,213,125 cwt., and there was a further fall to 1,959,818 cwt. last year. Importations in 1890-91 were no doubt stimulated by the rise in exchange, but the trade still remains very large and far in excess of the exports of Indian sugar which amounted to only 836,234 cwt. last year. It seems clear that the production in India falls short of the consumption by from fifty to a hundred thousand tons.

Sugar.

The imports were mostly from the following countries :—

	1890-91.	1891-92.	1892-93.
	Cwt.	Cwt.	Cwt.
From Mauritius	1,494,945	1,471,916	1,078,558
„ Germany	709,195	242,705	255,788
„ China	195,912	177,416	349,096
„ United Kingdom	281,202	30,233	21,742
„ Straits	118,944	123,761	129,606
„ Java	60,098	127,771	80,379
„ Austria	31,374	22,505	27,698
„ Belgium	25,044	...	2,107
„ France	9,356	15,409	317
„ Réunion	...	...	7,840
„ Ceylon	...	...	4,921

The supply from Mauritius fell off as a consequence of the disastrous cyclone in the island in 1892.

The imports of tea continue on a large scale, amounting to 6,022,883 lbs, following on an import of 6,353,017 lbs in 1891-92. From Ceylon 633,596 lbs were received, following on an import of 849,737 lbs in 1891-92. Ceylon took 139,084 lbs

Tea.

of Indian tea last year and 36,156lbs in 1891-92, so that whereas we supplied Ceylon with 175,240lbs. of our tea in two years, Ceylon sold to us 1,483,333lbs. of her tea in the same period, being more than eight times as much.

III.—*Metals, and manufactures of metal.*

Hardware and Cutlery.

The average of the five years preceding 1890-91 was Rx. 986,855. In 1890-91 the value was Rx. 1,197,614, in 1891-92 Rx. 1,238,994, and last year slightly less, Rx. 1,217,754. The bulk of these goods still comes to us from the United Kingdom, but the increasing share in the trade taken by Germany, Austria, and Belgium is noticeable. From these countries the imports in 1885-86, and in the last two years, were as follows :—

	1885-86. Rx.	1890-91. Rx.	1891-92. Rx.	1892-93. Rx.
Germany .	1,913	55,794	76,523	79,432
Austria .	15,302	46,007	45,099	42,667
Belgium .	20,835	28,774	49,692	61,233

These three countries have got 15 per cent now of a trade of which they had nothing or next to nothing a few years ago. To some extent it is no doubt only a transfer, goods being sent direct which were formerly shipped through England.

Sewing Machines.

A feature of some interest in the returns is the importation of sewing machines. The use of these articles has become so general that a record of the number imported has been kept since April last. In the four months April to July the number imported amounted to 4,439, declared value about Rx. 15,500, being under Rs. 35 each, or say £2 each. These useful articles have much lightened the patient toil of the *darzi*, and they are quite a common feature now in the tailor's shop in the bazar, to which they give a bright and civilised air in noticeable contrast with the squalor of the surroundings.

Copper.

The price of the metal advanced considerably during the year, and the comparatively large imports of 1891-92 were followed by a substantial restriction, the quantity declining from 511,088 cwt. to 420,762 cwt., a decline of nearly 18 per cent. The restriction was mainly under the head of unwrought copper, which fell to a very low point. As has been observed in previous years, the fluctuations in the trade largely depend upon the prices of copper which, for five or six years past, have been very speculative and fluctuating. With a low range of prices stocks are greatly augmented, especially if the harvests of the country are good and the people have money for the purchase of copper and brass utensils. In the last six years the fluctuations have been great. In 1887 they amounted to 532,635 cwt., falling in the following year to 98,490 cwt., the price having been abnormally raised by the action of the copper syndicate. Since then they have been :

	Cwt.
1889-90 .	568,915
1890-91 .	446,448
1891-92 .	511,088
1892-93 .	420,762

There has been a large increase in the imports of the metal from Belgium in recent years, chiefly in the form of yellow metal for sheathing. The imports have increased from 1,748 cwt. in 1888-89 to 9,373 cwt. last year. The United Kingdom, however, continues to be the chief source of supply.

Imports were smaller than in the preceding year, and the trade can hardly be said to have developed in the last ten years, as will be seen from the figures attached :

Cwt.		Cwt.	
1883-84	3,543,662	1888-89	4,002,793
1884-85	3,602,276	1889-90	3,608,405
1885-86	3,493,179	1890-91	3,876,556
1886-87	3,280,389	1891-92	3,680,489
1887-88	4,321,587	1892-93	3,596,239

Galvanised iron is the only description of the metal which has really increased in the last ten years, and of this kind the imports have more than doubled. They now exceed the imports of any other description with the exception of bar iron. For roofing this description of iron is in great demand in India, having taken the place of tiles or other material for sheds constructed by port trusts, municipalities, railways, and mercantile firms all over the country. In the hills private residences and shops, European and native, are universally being roofed with this material. Almost all other kinds of iron have either fallen off or remained stationary during the period mentioned, though in some cases the lack of progress is due to the substitution of steel for iron.

The trade in steel in fact presents a remarkable contrast to the trade in iron. *Steel.*

Cwt.		Cwt.	
1883-84	253,426	1888-89	542,388
1884-85	289,928	1889-90	468,396
1885-86	278,788	1890-91	705,465
1886-87	349,317	1891-92	773,036
1887-88	420,927	1892-93	621,556

The average imports of the last five years have been about twice as large as those of the preceding five years.

The increasing proportion of the trade in iron and steel which has been taken by Belgium and Germany is very conspicuous. The statement appended shows that while, ten years ago, the United Kingdom was in almost exclusive possession of the trade in both iron and steel, Belgium and Germany have since greatly augmented their trade with India while that of the United Kingdom has fallen away. The importation of iron from England last year was only just double that of the other two countries, and they sent us steel in much larger quantity than we received from England.

	FROM UNITED KINGDOM.		FROM BELGIUM.		FROM GERMANY.		FROM OTHER COUNTRIES.	
	Iron.	Steel.	Iron.	Steel.	Iron.	Steel.	Iron.	Steel.
1883-84	3,473,619	240,149	86,657	10,981	9,411	1,609	13,976	687
1884-85	3,423,559	263,433	165,488	24,287	5,209	1,400	8,020	808
1885-86	3,322,511	255,871	152,009	20,629	4,146	1,850	14,493	438
1886-87	3,102,856	327,744	162,043	19,240	3,922	2,154	11,568	179
1887-88	4,077,292	372,824	188,584	42,913	8,148	3,283	47,563	1,907
1888-89	3,715,081	456,550	262,436	77,976	11,928	7,063	13,348	799
1889-90	2,383,080	385,916	606,544	66,375	5,425	16,099	13,356	6
1890-91	3,306,381	462,671	536,076	164,874	13,134	76,235	20,965	1,685
1891-92	2,859,753	347,816	776,328	301,573	28,559	1,23,086	15,849	561
1892-93	2,382,578	270,751	1,153,411	283,817	34,727	66,712	25,523	276

The imports of other metals, brass and quicksilver excepted, also declined in the year :—

	1891-92. Cwt.	1892-93. Cwt.
Brass .	11,011	12,488
Lead .	122,568	113,076
Quicksilver .	2,506	3,206
Tin .	38,830	37,603
Zinc .	118,851	115,782
Others .	5,713	5,164

The total value of all kinds of metals has been during the five years :—

	Rx.
1888-89 .	4,054,013
1889-90 .	5,705,987
1890-91 .	5,646,147
1891-92 .	5,655,072
1892-93 .	5,382,017

The small value in the first of these years was due to a heavy fall in the imports of copper consequent on a great rise in price. Last year the value of copper was Rx. 1,768,757, of iron Rx. 2,423,434, and of steel Rx. 385,184, these three metals representing 85 per cent of the value of the trade in metals.

*Machinery
and millwork.*

There was an increase of nearly 12 per cent in the year, following on a smaller one in the preceding year, the value being Rx. 2,359,103 against Rx. 2,111,596.

*Railway plant
and rolling
stock.*

The import of these articles has heavily declined from Rx. 1,484,173 to Rx. 1,032,939, which is the lowest level reached in the last fifteen years.

Chemicals, Drugs, Medicines and Narcotics, and Dyeing and Tanning Material.

The trade in these classes of goods continues to increase largely in consequence of the yearly augmenting import of aniline and alizarine dyes. The rapidity with which these dyes are superseding indigenous vegetable dyes is shewn by the imports of the last five years :—

	(000's omitted.) Ounces.
1888-89 .	52,739
1889-90 .	57,682
1890-91 .	61,722
1891-92 .	89,474
1892-93 .	94,782

Of the quantity imported last year 84,318,000 ounces came from the Continent, mainly from Belgium. These dyes represented a value of fifty lakhs last year.

In the review of the trade of 1891-92 some remarks were made in approval of the expanding employment of these dyes which were not quite accurately interpreted by the press. The use of aniline dyes for fine Indian fabrics is much to be deprecated, and the reference was not to these. The bulk of the dyes is used for the commoner fabrics generally worn by the people, and their substitution for the indigenous dyes in respect of such cloths is an unqualified advantage. The dyes are cheaper, they are easily applied, they are cleanly while the processes of making indigenous dyes are mostly loathsome, and the alizarine dyes which are now increasingly used have not the crudity which marked the early stages of mineral colours, and they are not so fleeting as the aniline dyes.

Oils.

Imports have more than doubled in the last six years :—

Petroleum.

(000's omitted.)

	Gallons.
1887-88	31,421
1888-89	39,952
1889-90	53,390
1890-91	54,235
1891-92	58,109
1892-93	67,086

and Russian oil appears to be completely displacing American oil :—

	1890-91. Gallons.	1891-92. Gallons.	1892-93. Gallons.
From Russia	19,843,423	28,333,635	38,086,703
From United States	32,692,946	27,293,985	26,264,630

In three years the imports of petroleum from Russia have nearly doubled, while those from the United States have fallen off heavily. Apparently the time is approaching when American oil will cease to be known in India, and indeed it is said that an arrangement has been concluded, or is under consideration, by which the American producers will retire from the Asiatic market in favour of the Russian producer, the latter retiring from the European market in favour of the American producer.

The increase of this trade in India is eminently satisfactory, for it would be difficult to overrate the civilising effect of cheap and efficient illuminants for the population. As yet, it is true, the use of this oil has hardly gone beyond the people of the larger towns, and 67 million gallons give an average consumption, in a population approximating 300 millions, of less than a quarter of a gallon per head of the population annually; but, as far as it has gone, the effects are excellent, and there is an indefinite opening for development. Undoubtedly in a few years we may very well see the trade increase tenfold, especially if the experiment of importing and transporting the oil in bulk, which is now being tried, should succeed.

Raw materials and unmanufactured articles.

The imports of coal, coke, and patent fuel do not increase :—

Coal.

	Tons.
1888-89	833,478
1889-90	601,670
1890-91	784,664
1891-92	736,971
1892-93	648,185

The bulk of the imports (83 per cent) now goes to Bombay and Sindh. The imports into Bengal and Burma have fallen to a low level, and though Madras has taken a larger quantity than in preceding years, it is but small. The distribution of the imports is as follows (in tons):—

	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.
Bombay and Sindh	689,358	468,034	687,200	621,030	541,160
Burma	77,878	47,800	36,599	48,085	27,814
Madras	46,866	62,666	50,818	45,044	66,380
Bengal	19,376	23,170	10,047	22,812	12,831

The output of Indian coal in 1892 amounted to 2,537,696 tons, being about four times as much as the quantity imported, three-fourths being still produced in Bengal where, as will be seen from the statement printed above, the use of imported coal has fallen to a very low point. A large quantity (885,492 tons in 1892) is used by the railways, and Bengal coal is also making its way to other provinces by sea, the coastwise exports from Bengal being as follows :—

	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.
	Tons.	Tons.	Tons.	Tons.	Tons.
To Bombay	13,436	2,008	4,000	...	45,595
„ Madras	2,270	2,768	29,763	52,270	60,570
„ Burma	23,814	47,687	69,908	70,145	88,611
Total	39,520	52,463	103,671	122,415	194,776

Cotton.

There has been a further development of the feature in this trade to which reference was made in the review for 1891-92, namely, the importation of long-stapled American and Egyptian cotton, the quantity of such cotton imported last year having amounted to 48,552 cwt. This quantity is insignificant in itself, but the progress made in the last few years has been rapid, and indicates the beginning of a new development in the Indian cotton-manufacturing industry. The imports of Asiatic cotton do not increase.

Silk.

Imports amounted to 2,292,846 lbs., being a decline of 15 per cent on the imports of 1891-92, but much in excess of our exports of Indian silk which amounted to only 1,820,233 lbs. The imported silk is mainly of Chinese origin, a small quantity of Japanese and Persian silk also being imported, and the bulk of it is used up in the Bombay silk mills.

Wood.

This has hitherto been a trade of no importance and calling for no remarks; but it may be noted that Siamese teak was imported last year into Bombay to the extent of 2,594 tons, value for Rx. 17,361. Thus it would seem that Siamese teak is competing with Burman teak in India as well as in Europe. As regards Siamese teak, reference is invited to the remarks at page 29, on the export of Indian teak.

Wool.

A special feature in this trade was the import of 80,307 lbs. of wool from England, understood to be Australian wool, and of 2,105 lbs. direct from Australia. This fine long-stapled wool is used in the Indian woollen mills for the production of the superior classes of goods they are now manufacturing.

Manufactured articles.

Cotton yarn.

The imports of cotton twist and yarn in the last five years have been as follows :—

	lbs.
1888-89 .	52,587,000
1889-90 .	46,383,000
1890-91 .	50,971,000
1891-92 .	50,404,000
1892-93 .	38,276,545

We must go back to the years before 1880 to find figures as low as those here recorded for 1891-92. The decline was due to various causes, among them

being the strike of the Lancashire operatives and the continuous fall in exchange, both of which operated at once to restrict the quantity available in England for export to India and to raise the price materially. Price were further raised by a sharp increase in the price of American cotton consequent on the announcement of a short crop. It is not clear that the increase of prices restricted consumption in India either of yarns or piece-goods, though imports were restricted, and it is certain that stocks held in India were largely reduced, dealers preferring in the conditions of the time to exhaust these before giving orders for further supplies from England. The restriction of imports has, however, been greatly prolonged, having continued into the first quarter of the present year.

The influences which affected the market for yarns also affected the market *Cotton fabrics.* for cotton piece-goods which continue to exhibit a non-progressive character. The trade in unbleached goods is smaller than it has been since 1883, and in neither white nor coloured goods is any advance apparent for many years. It must be inferred that, as suggested in the review of the trade of 1890-91, imported piece-goods are being gradually superseded by local manufactures.

	Grey. (unbleached). Yards.	White (bleached). Yards.	Coloured, printed, or dyed. Yards.
1887-88 .	1,180,175,000	320,464,000	339,103,000
1888-89 .	1,347,299,000	406,492,000	372,457,000
1889-90 .	1,257,001,000	339,098,000	400,949,000
1890-91 .	1,280,540,000	373,149,000	360,335,000
1891-92 .	1,173,176,000	361,395,000	348,117,000
1892-93 .	1,092,584,000	376,359,000	339,111,000

The foregoing remarks on the stagnation of the trade in piece goods apply also to almost all other kinds of cotton manufactures—to handkerchiefs and shawls in the piece, lace and net, canvas, and other sorts. In fact, it was an extremely bad year for the trade in cotton goods and yarns.

Values in the case of this important trade have fallen in greater proportion than quantities, as the following figures shew :—

	Cotton twist. Rx.	Cotton goods. Rx.
1887-88 .	3,581,906	23,924,467
1888-89 .	3,746,797	27,764,508
1889-90 .	3,482,529	26,391,398
1890-91 .	3,768,362	27,241,987
1891-92 .	3,514,619	25,174,852
1892-93 .	2,683,850	22,942,015

These values combined represent under 40 per cent of the whole import trade in merchandise ; in 1891-92 the proportion was 43, and ten years previously 49½ per cent.

In silk piece-goods there was a further increase of about 6½ per cent following the increase of the preceding year, but in mixed goods there was a decline. *Silks and wool-lens.* It is doubtful, however, whether an accurate record of such goods is obtained. In woollen piece-goods there was a decline of 17 per cent, but the imports of the preceding year had been unusually large.

*Other manu-
factured goods.*

Of the other articles enumerated in this class the following are the most important. The value of the trade in each of the last three years is here specified :—

	1889-90. Rs.	1890-91. Rs.	1891-92. Rs.	1892-93. Rs.
Apparel, including boots and shoes	1,296,394	1,349,897	1,398,027	1,383,830
Arms and ammunition, including dynamite and other explosives	191,591	206,331	206,517	225,775
Books and printed matter	215,027	222,401	221,594	230,564
Building materials	179,220	184,816	173,010	140,211
Cabinet-ware and furniture	99,397	91,415	113,258	96,062
Candles	135,947	111,495	126,777	148,426
Clocks and watches	104,531	129,732	140,283	115,789
Corals, real	140,194	168,716	168,112	121,045
Earthenware and porcelain	223,929	227,874	273,573	251,593
Glass and glassware	647,127	650,236	728,203	670,804
Instruments and apparatus :				
Musical	85,588	94,165	95,772	90,188
Scientific	99,894	106,428	121,724	115,168
Jewellery and plate	83,716	94,551	90,100	93,443
Leather and leather goods, excluding boots and shoes	184,818	170,255	191,459	179,545
Matches	239,407	282,755	331,689	358,957
Paints and colours and painters' materials	267,366	302,861	292,858	299,517
Paper and pasteboard	407,479	431,436	470,339	436,098
Soap	111,388	92,852	110,417	116,478
Stationery	232,133	223,874	245,567	262,042
Toys and requisites for games	135,862	150,094	161,394	152,475
Umbrellas	314,106	326,092	414,942	441,145

The manufacture of paper in India is certainly beginning to affect the imports, not so much perhaps already in actually diminishing the quantity imported as in preventing its large augmentation. Considering the numbers who every year swell the totals of the reading and writing population, the yearly increasing activity in affairs, the displacement of the old order by the new under which business agreements and contracts are reduced to writing, the facilities given for travel and for communication through the post office, and the development of intellectual activity which shows itself in the multiplication of newspapers, there must be a greatly increased demand for writing and printing paper every year. It does not show itself, however, in the returns of trade to the extent that might have been expected, and this result is no doubt due to the competition of paper made in India, where there are now nine paper mills which made $26\frac{1}{2}$ million pounds of paper in 1892: ten years previously the quantity made was only $7\frac{1}{4}$ million pounds. In this connection the question may be repeated which has frequently been asked before in these reviews: why do not the Indian paper mills make the tickets used on the Indian railway lines? The $127\frac{1}{2}$ million passengers carried on those lines in 1892 used up a number of tickets the manufacture of which would probably keep a mill running for not far from half a year.

The list appended states in the order of their importance the principal articles of merchandise imported into India :—

	1889-90. Rs.	1890-91. Rs.	1891-92. Rs.	1892-93. Rs.
Cotton goods and yarn	29,873,928	31,010,349	28,689,471	25,625,865
Metals, including hardware and cutlery	6,802,177	6,843,762	6,894,067	6,599,772
Oils, chiefly mineral	2,645,213	2,634,187	2,635,955	2,919,162
Silk, raw and manufactured	2,845,159	2,501,430	3,014,698	2,817,651
Sugar	2,200,049	3,399,886	2,561,996	2,625,683
Machinery and millwork	2,435,385	2,063,863	2,111,596	2,359,103
Provisions	1,596,565	1,476,070	1,771,793	1,862,054
Chemicals, drugs and medicines, dyes, &c.	1,280,334	1,397,479	1,535,216	1,615,097
Woollen goods	1,455,235	1,818,213	1,762,031	1,523,242
Liquors	1,465,144	1,423,460	1,442,095	1,447,263
Apparel	1,296,394	1,349,898	1,398,027	1,383,830
Coal	1,308,590	1,543,442	1,250,493	1,141,450
Railway material	1,821,337	2,001,853	1,484,173	1,032,939
Glass and glassware	647,127	650,236	728,203	670,804
Spices	852,350	813,115	797,196	623,633
Salt	894,532	779,034	627,953	576,694
Umbrellas	314,106	326,092	414,942	441,145
Paper and pasteboard	407,479	431,436	470,339	436,098

The two first items comprised nearly 55 per cent of the whole value of imports in 1890-91, about $53\frac{1}{2}$ per cent in 1891-92, and about $51\frac{1}{2}$ per cent last year.

CHAPTER III.

Exports of Merchandise.

I. EXPORTS OF FOREIGN MERCHANDISE.

The figures of the trade shew a gradual but small increase :—

	Rx.
1888-89 .	4,335,437
1889-90 .	4,295,808
1890-91 .	4,233,529
1891-92 .	4,485,179
1892-93 .	4,590,290

The following are the main items of the re-export trade, with their values :—

Articles of Food and Drink :

	1889-90. Rx.	1890-91. Rx.	1891-92. Rx.	1892-93. Rx.
Provisions	137,611	131,301	117,552	146,264
Spices	116,779	68,753	30,179	30,414
Sugar (refined) . . .	267,609	197,659	192,628	328,080
Tea	167,838	285,060	315,741	328,151

Metals and Metalware :

Hardware and cutlery . .	47,541	52,651	69,583	70,824
Copper	83,614	66,943	105,760	133,338
Iron	105,726	66,018	82,884	107,484

<i>Chemicals, Drugs, &c.</i> . .	57,875	57,865	67,881	76,682
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Raw materials :

Gums and resins	73,611	60,922	68,785	67,208
Ivory (unmanufactured) . .	125,543	149,457	150,468	111,144
Silk	33,951	40,024	37,498	37,225
Wool	693,527	624,681	630,839	597,718

Manufactured Goods :

Cotton twist and yarn . . .	91,382	83,801	113,665	90,822
Cotton manufactures, piece goods, &c. . . .	1,728,358	1,710,493	1,817,165	1,732,878
Silk manufactures	57,758	64,677	66,982	71,764
Woollen manufactures . . .	50,349	65,120	78,302	58,549
Apparel	103,457	102,503	100,038	118,608
Glassware	32,024	34,317	41,499	43,455

Cotton manufactures, including yarn, form about 39 per cent of the whole trade, and with wool, sugar, and tea, which are the only other large items, constitute over two-thirds of the trade.

The export of foreign (mainly China and Java) tea was slightly in excess of the trade in 1891-92, the quantity exported in each of these years being respectively 3,368,000 lbs. and 3,409,000 lbs., the bulk of the exports being to Persia. The export of Indian tea to the same country in the year was only 1,407,000 lbs.

The countries with which the trade is chiefly carried on are stated below :—

	1889-90.	1890-91.	1891-92.	1892-93.
	Rx.	Rx.	Rx.	Rx.
Persia	1,225,603	1,319,957	1,418,522	1,391,184
United Kingdom	1,178,757	1,063,392	1,094,027	1,044,100
East Coast of Africa, Zanzi- bar and Mozambique . .	372,627	390,864	351,860	381,735
Arabia	222,214	243,255	303,486	315,740
Straits	271,830	259,772	246,399	308,624
Turkish Arabia	253,424	237,638	314,211	288,179
Aden	132,025	148,834	146,480	179,158
China	135,244	144,462	111,617	151,194
Mauritius	110,901	75,889	102,605	143,719
Ceylon	118,986	142,547	155,880	137,885

But a small fraction of the trade is carried on elsewhere in India than at Bombay and Karachi, the trade from those places being over 92 per cent of the whole.

II. EXPORTS OF INDIAN MERCHANDISE.

The figures for the last ten years are as follows :—

	Rx.	Increase or decrease per cent.		Rx.	Increase or decrease per cent.
1882-83	80,598,155	+ 1.7	1887-88	86,370,022	+ 1.7
1883-84	85,085,720	+ 5.5	1888-89	92,642,735	+ 7.2
1884-85	80,313,208	— 5.6	1889-90	99,101,055	+ 7
1885-86	80,734,731	+ 0.5	1890-91	95,902,193	— 3.2
1886-87	84,908,994	+ 5.2	1891-92	103,550,831	+ 7.9
			1892-93	101,945,706	— 1.5

The trade of 1889-90 increased mainly as the result of a greatly augmented value of seeds, jute, and cotton. In the case of seeds and jute the increase was due to higher prices.

In 1890-91 these three articles gave greatly reduced values, the result in the case of cotton and seeds of a smaller quantity exported, and, in the case of jute, of a heavy fall in price, accompanied by an increase in the quantity exported. The reduction in the value of these three articles amounted to nearly Rx. $4\frac{1}{2}$ millions; the total reduction in the export trade being not quite Rx. 3,200,000. Of articles of the first importance only grain and pulse, and cotton yarns and cloths, gave improved results.

In 1891-92 the exports of cotton again fell off to an exceptionally low level, as the result of a very bad crop. The exports of jute also, for the same reason, fell to a lower point than had been known for six years, and, for the first time in the history of the trade, cotton yarns and cloth declined materially. There was also a decline in some minor articles. Compensating for this decline there was a considerable trade in seeds and an abnormally large trade was done in food-grains in consequence of the failure of the harvest in Russia and bad crops in other countries of Continental Europe, following a very severe winter. This trade in food-grains saved the trade of the year from shewing a material decline.

In 1892-93 the position was in many respects reversed. Cotton, cotton yarns and piece-goods, jute and jute manufactures, gave greatly improved results. There was also an increased trade in indigo and a number of other articles, while coffee and tea shewed larger values, the result of higher prices, for the quantity exported declined. On the other hand, so great was the decline in the export of wheat, rice, and other food-stuffs, some other articles also having fallen off, that the increase was more than counterbalanced, with the result that the total export trade was $1\frac{1}{2}$ per cent smaller than in 1891-92.

In the following list the principal articles in the trade and their values for the last four years are shewn (in Rx.) :—

	1889-90.	1890-91.	1891-92.	1892-93.
1. Grain and pulse . . .	16,528,225	19,539,297	28,695,680	20,562,972
2. Cotton, raw . . .	18,668,404	16,502,775	10,754,311	12,743,679
3. Seeds . . .	10,627,553	9,343,252	12,208,457	11,631,015
4. Opium . . .	10,115,936	9,261,814	9,562,261	9,255,013
5. Cotton yarns and cloth .	6,753,743	7,702,639	7,035,036	8,100,658
6. Jute, raw . . .	8,639,861	7,602,010	6,848,493	7,944,223
7. Tea . . .	5,277,649	5,219,233	5,968,129	6,292,348
8. Hides and skins . . .	4,524,260	4,695,919	5,186,002	5,591,934
9. Indigo . . .	3,863,083	3,073,125	3,214,076	4,141,179
10. Jute manufactures . . .	2,791,242	2,481,961	2,513,100	3,237,993
11. Coffee . . .	1,489,872	1,454,985	1,998,659	2,066,862
12. Wool, raw . . .	1,085,637	968,322	1,013,864	1,116,578
13. Dyes (other than indigo)	683,288	573,640	764,709	802,013
14. Lac . . .	488,513	781,443	751,224	784,950
15. Provisions . . .	624,424	633,377	776,531	775,802
16. Wood and timber . . .	870,119	557,884	609,463	695,259
17. Silk, raw . . .	639,818	521,069	518,627	617,574
18. Oils . . .	543,945	551,902	583,810	595,568
19. Sugar . . .	917,179	417,562	508,417	507,914

Below the principal articles are arranged in parallel columns, those which increased in value to the left, and those which decreased to the right :—

	Increases per cent.		Decreases per cent.
Cotton . . .	18.5	Grain and pulse . . .	28.3
Cotton yarns and goods . .	15.1	Opium . . .	3.2
Coffee . . .	3.4	Provisions . . .	0.09
Indigo . . .	28.8	Seeds . . .	4.7
Other dyes . . .	4.8	Sugar . . .	0.9
Hides and skins . . .	7.8		
Jute . . .	16		
Jute manufactures . . .	28.8		
Oils . . .	2		
Lac . . .	4.4		
Tea . . .	5.4		
Silk, raw . . .	15		
Wood and timber . . .	14		
Wool . . .	10.1		

It will be seen that there was an increased value in many of the most important staples of the export trade, and that several articles in which a decline was seen in 1891-92 did well last year. On the other side comparatively few articles have decreased, and in only one case is the decrease very considerable. Yet in that case the trade is so large, and the decrease was so great, that the whole of the increases were more than counterbalanced. The decline in the value of the whole export trade was Rx. 1,605,124 only, although the decline in the value of grain and pulse alone was as much as Rx. 8,132,708. It is evident therefore that, but for this heavy decline in the grain trade, the export values of the year would have been appreciably larger than those of 1891-92.

The following is a statement of the prices of the principal articles of Indian export, the prices in 1873 being taken to represent 100 :—

		Cotton, Broach.	Cotton yarns, 20s.	Rice, monghy.	Wheat No. 1, soft white.	Opium (Bengal).	Indigo, good.	Jute, picked.	Gunny bags.	Linseed, fine, bold, clean.	Tea.	TOTAL.
March 1873	...	100	100	100	100	100	100	100	100	100	100	1,000
January 1874	...	88	100	150	75	105	114	153	88	115	123	1,111
" '75	...	80	81	128	80	96	109	126	111	108	123	1,042
" '76	...	85	80	111	84	96	91	141	84	90	136	998
" '77	...	87	90	150	93	97	110	150	95	102	148	1,122
" '78	...	84	80	155	119	97	88	153	101	106	135	1,118
" '79	...	78	74	189	116	87	114	153	99	109	129	1,148
" '80	...	98	81	136	115	94	112	169	89	113	126	1,133
" '81	...	95	85	89	96	109	105	156	111	104	135	1,085
" '82	...	90	80	83	97	102	117	137	118	91	126	1,041
" '83	...	78	74	101	87	91	107	96	98	85	110	927
" '84	...	85	74	142	86	93	117	162	106	96	116	1,077
" '85	...	90	72	142	74	99	103	110	94	98	90	972
" '86	...	81	72	130	80	93	107	137	85	101	96	982
" '87	...	85	69	103	89	83	70	137	98	101	77	912
" '88	...	95	74	110	86	80	82	153	125	95	84	984
" '89	...	93	79	131	95	94	93	192	126	112	77	1,092
" '90	...	95	74	144	84	86	76	197	118	109	63	1,046
" '91	...	84	70	147	87	79	86	126	93	97	81	950
" '92	...	75	65	162	103	80	74	236	132	112	71	1,110
" '93	...	107	78	189	95	97	114	192	119	128	87	1,206

Grouping the items as in the trade returns, the values of the trade in each group for each of the last five years are as follows in Rx. :—

	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.
1. <i>Animals, living</i> ...	112,146	98,085	122,278	101,878	137,307
2. <i>Articles of food and drink</i>	24,841,910	25,354,123	27,785,219	38,456,954	30,810,947
3. <i>Metals, and manufactures of metal.</i>	53,523	63,273	61,144	77,018	84,406
4. <i>Chemicals, drugs, medicines and narcotics, and dyeing and tanning materials.</i>	15,585,461	14,990,805	13,283,220	13,872,431	14,575,150
5. <i>Oils</i> ...	430,306	543,945	551,903	583,810	595,568
6. <i>Raw materials and unmanufactured articles.</i>	38,509,911	44,291,911	39,497,900	36,179,292	39,317,571
7. <i>Articles manufactured and partly manufactured.</i>	13,109,477	13,758,912	14,600,528	14,279,446	16,424,756

The largest class is that of raw materials, which constitute 38·5 per cent of the whole trade. Articles of food and drink, which in 1891-92 comprised 37 per cent of the trade, last year only comprised 30 per cent, owing to the restriction of the exports of wheat to their normal dimensions. A very satisfactory feature is the increase of the class of manufactured articles which formed over 16 per cent of the whole exports, having been under 14 per cent in 1891-92. The class of chemicals, drugs, dyes, and narcotics constituted 14·3 per cent. of the trade. These four classes form 99 per cent of the export trade.

Articles of Food and Drink.

The exports have been as follows:—

	Cwt.	Rx.		Cwt.	Rx.
1886-87 .	370,458	1,502,251	1890-91 .	233,451	1,454,985
1887-88 .	273,775	1,529,680	1891-92 .	311,864	1,998,659
1888-89 .	365,299	1,884,243	1892-93 .	296,687	2,066,862
1889-90 .	239,795	1,489,872			

Prices have ruled very high for three consecutive years now, the combined effect of restricted supplies in the European market and speculation in the prospects of Brazilian coffee; but the scale on which exports are made from India continues and is likely to continue low. In the five years ending 1882-83 the average annual export was 353,909 cwt.; in the five years ending 1892-93 it was only 289,419 cwt. Indian coffee in fact only supplements the supply received from other countries, notably Brazil, and the demand for it is limited. The coffee tree in India moreover has had to struggle with pertinacious and destroying enemies in the borer and the leaf disease, and, as in Ceylon, considerable areas of coffee land have been planted with tea.

The total exports from each province last year and in each of the nine preceding years are given below:—

*Coffee.**Rice.**Exports of Rice (husked) in cwt. (000's omitted.)*

	Burma.	Bengal.	Madras.	Bombay.	Sindh.	Total for India.	Value Rx.
1883-84 .	16,994	7,394	1,843	521	80	26,832	8,328,879
1884-85 .	13,507	6,035	1,403	677	80	21,702	7,122,787
1885-86 .	19,084	6,879	1,181	521	149	27,814	9,167,189
1886-87 .	18,216	5,902	1,564	639	139	26,460	8,764,809
1887-88 .	17,879	7,996	1,438	764	72	28,149	9,225,109
1888-89 .	14,205	6,417	1,538	589	19	22,768	7,845,350
1889-90 .	18,259	5,992	1,654	799	70	26,774	10,047,331
1890-91 .	24,581	7,928	1,210	646	109	34,474	12,773,628
1891-92 .	22,676	8,354	1,018	598	94	32,740	13,296,792
1892-93 .	18,339	7,201	1,002	716	137	27,395	...

The countries to which Indian rice was exported in the last three years are these:—

		Cwt. (000's omitted).			
		1889-90.	1890-91.	1891-92.	1892-93.
<i>Europe:</i>					
United Kingdom .		5,177	4,299	5,135	5,346
Malta .		953	2,317	1,640	200
France .		207	134	47	41
Egypt .		7,398	9,700	10,874	7,931
Germany .		176	310	544	510
Other countries .		66	49	7	57
TOTAL		13,977	16,809	18,247	14,085
<i>Asia:</i>					
Ceylon .		3,270	3,711	4,145	4,104
Straits .		3,916	6,451	4,180	2,921
Arabia and Aden .		1,191	1,240	892	1,226
Persia and other countries .		346	1,632	412	369
TOTAL		8,723	13,034	9,629	8,620
<i>Africa:</i>					
Mauritius, Réunion, and Eastern Coast .		2,014	2,328	2,072	1,845
Cape Colony and Natal .		256	258	270	227
TOTAL		2,270	2,586	2,342	2,072
<i>America:</i>					
West Indies .		269	329	539	271
South America .		1,426	1,493	1,796	2,166
Canada .		53	75	73	118
United States .		Nil	71	63	24
TOTAL		1,748	1,968	2,471	2,579
<i>Australia</i>		56	77	47	39

The quantity exported was much less than in either of the two preceding years, in which, however, the exports were exceptionally and abnormally large, and was but little in excess of the trade of 1889-90. There was a heavy decline in shipments to the Straits, where the demand was largely supplied from the surplus of Cochin-China.

The shipments to Malta and Egypt also fell away very largely. Such shipments are all "for orders" for a Continental port, and on the Continent trade was dull and depressed owing, *inter alia*, to the presence of cholera in Hamburg, which is one of the ports to which Indian rice goes in quantity for distillation. Moreover, in 1891-92 rice was in more extensive demand than usual on the Continent in consequence of the failure of rye and other grains with which it enters into competition for distillation, and with the return of good harvests this demand declined. The reduction of the exports to France is due to a new protective fiscal arrangement under which, while Indian rice is charged with duty, rice from French Cochin-China is admitted free of duty.

Prices also in Burma were kept above the level of the European market by a local demand for Upper Burma and for India. The exports from Burma to India were exceptionally large in consequence of the scarcity in Southern India, and more than two million cwt. were shipped to Madras in the year compared with 790,000 cwt. in 1891-92. In the present year Burman rice is being shipped in large quantity to Bengal, a province where hitherto it has been but little used. But there is little doubt that consumption is fast overtaking production in Bengal, and that that province is beginning to depend on imported food supplies to supplement local production.

Wheat.

The subjoined table gives the exports of wheat from India for each of the last twelve years:—

	From Bengal.	From Bombay.	From Sindh.	From Burma and Madras.	Total exports.	Total value.
	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.	Rx.
1881-82	6,668,047	11,328,585	1,852,334	14,554	19,863,520	8,604,081
1882-83	4,439,405	6,957,752	2,732,275	14,975	14,144,407	6,068,934
1883-84	7,611,535	8,970,603	4,372,832	1,525	20,956,495	8,877,561
1884-85	2,563,204	8,993,108	4,279,860	3,582	15,830,754	8,309,140
1885-86	4,189,672	10,608,680	6,241,017	21,150	21,060,519	8,002,350
1886-87	7,037,957	12,606,144	2,613,748	5,471	22,263,320	8,625,864
1887-88	4,334,768	8,541,621	660,758	1,022	13,538,169	5,562,373
1888-89	2,950,985	10,654,163	4,004,039	894	17,610,081	7,522,676
1889-90	1,550,839	5,146,881	7,100,282	1,222	13,799,224	5,791,377
1890-91	1,340,355	6,212,143	6,767,300	698	14,320,496	6,042,426
1891-92	4,746,938	14,430,808	11,125,000	679	30,303,425	14,380,462
1892-93	3,325,063	8,174,360	3,473,824	206	14,973,453	7,440,383

Excluding the abnormal year 1891-92 the average annual exports have been about 795,000 tons since 1881-82, in which year the trade may be said to have taken its full development. Last year the exports were about 749,000 tons. The decline in the exports from Karachi was very great, the harvests of the Punjab having been not up to the average; but from Bombay and Calcutta also exports fell off considerably, though supplies were abundant if they had been required in Europe. For the first three months of the year, April, May, and June, the months following the harvest, the shipments were fairly large, but they then fell off

rapidly and have remained low up to the present. Indian wheat was, in fact, in small demand from Europe, where the harvests were much better than they had been in 1891. In that year the *Economist*, in a leading article on the position of wheat, warned the public that the consumption of the world had overtaken production, and that a permanently higher range of prices must be looked for. Prices were indeed at the time rising rapidly in consequence of the anticipated failure of crops in Europe, but the United States had a harvest of unparalleled dimensions, and in a very few months prices began to fall as rapidly as they had risen, and continued falling. The United States had a second crop of great magnitude, and prices fell still further until they reached the lowest point on record. Meanwhile prices in India were somewhat high and exports were not profitable. The trade has continued on a low scale since the close of the year, and it is unlikely to exceed what experience has shewn to be an average export, say from 700,000 to 800,000 tons, for, though the European harvest is below the average, supplies from the United States are abundant.

The exports of the two years were directed as follows (cwt., 000's omitted):—

	1891-92.	1892-93.
To the United Kingdom	12,345	7,413
„ France	6,024	1,724
„ Egypt	4,858	2,045
„ Belgium	4,655	1,226
„ Italy	1,062	689
„ Germany	663	902
„ Holland	523	386
„ Spain, including Gibraltar	—	399

The rest went in trifling quantities to other countries, but a noticeable feature in the returns is the shipment of 10,000 cwt. to South America.

With the exports of wheat in 1891-92, the exports of wheat-flour also largely increased, and, though not so large in 1892-93, they were still on an extensive scale. *Wheat flour.*

	lbs. (000's omitted.)
1887-88	36,082
1888-89	36,290
1889-90	48,572
1890-91	47,036
1891-92	61,028
1892-93	57,940

In 1891-92 a good deal was sent to Europe and Egypt, about 7,300,000 lbs. altogether, the bulk of it being taken by Belgium; but last year the demand for Europe practically ceased, having evidently been merely temporary, the consequence of high prices and short supplies. The exports to Europe, mainly Belgium and Egypt, were only 3,240,000 lbs., and the bulk of the flour was taken as usual to Mauritius, Aden and Arabia, the East African coast, Ceylon, and other places in the East.

The demand in Europe in 1891-92 for wheat, wheat-flour, and rice was accompanied by a demand for other grains also, especially jawár and bájra. The export of these last named millets in the last five years has been as follows (in cwt.) :— *Other grains.*

1888-89	611,960
1889-90	932,572
1890-91	1,095,952
1891-92	1,572,882
1892-93	920,366

Jawár and Bájra.

The demand for these millets arose out of the scarcity and high prices of the inferior grains used for distillation, consequent on the Russian scarcity and prohibition of the export of rye. With maize, potatoes, rye, and oats costing high prices, these articles were too dear for distillation, and were used for human food, attention being turned to jawár and bájra as substitutes for distillation. For this purpose it is said that they were not a success, maize being more profitable even at a difference in price of two or three francs per kilogramme, and the exports last year fell away greatly, very little having been shipped to Europe. Most of the quantity exported was taken to Abyssinia and to the Arabian coast and Aden.

Provisions.

This class of exports has largely expanded in recent years, owing in great measure to the development in the trade in flour mentioned above, the value of this item forming not much less than half the aggregate value of the whole group. The other principal items are fishmaws and sharkfins, salted fish, dried fruits, and ghi. The trade is conducted mainly with Asiatic countries and the east coast of Africa.

Sugar.

The subjoined figures shew the trade in the last ten years :—

	Refined. Cwt.	Raw. Cwt.		Refined. Cwt.	Raw. Cwt.
1883-84 .	203,693	1,426,827	1888-89 .	34,523	978,955
1884-85 .	55,323	1,015,596	1889-90 .	111,323	1,309,321
1885-86 .	24,942	1,142,598	1890-91 .	28,768	795,973
1886-87 .	33,340	953,066	1891-92 .	37,044	940,574
1887-88 .	37,723	1,008,565	1892-93 .	37,461	798,773

It is clear that the export trade in Indian sugar is struggling for existence. The production of the country is indeed not sufficient for local consumption, and the quantity imported to supplement local supplies is more than double the quantity exported. Madras is practically the only province which can still carry on anything like an extensive export trade in sugar.

Tea.

The exports amounted to 114,722,447 lbs., which was, contrary to anticipation, about $4\frac{1}{2}$ per cent less than the quantity exported in the preceding year. The crop was materially below the estimates. It is the first time in the history of the trade that the exports have not been in excess of those of the previous year.

The exports of the last ten years are given below :—

	lbs. (000's omitted.)	Rx.		lbs. (000's omitted.)	Rx.
1883-84 .	59,912	4,083,880	1888-89 .	97,011	5,267,315
1884-85 .	64,162	4,044,759	1889-90 .	103,760	5,277,650
1885-86 .	68,784	4,306,133	1890-91 .	107,015	5,219,233
1886-87 .	78,703	4,727,992	1891-92 .	120,149	5,968,129
1887-88 .	87,514	5,174,440	1892-93 .	114,722	6,292,348

But though the quantity exported was smaller, the quality generally was well over the average, and the prices obtained were high and all the more satisfactory that they followed three years in which prices had been steadily falling. The average prices realised at the auction sales in Calcutta during the last five years were as follow, in annas and pie per pound :—

	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.
Orange (and broken orange) pekoe .	12-4	11-8	11-2 $\frac{1}{4}$	11-1	13-0 $\frac{5}{8}$
Broken pekoe	10-3	9-9	8-10 $\frac{3}{4}$	8-7 $\frac{1}{2}$	11-3 $\frac{1}{8}$
Pekoe	8-1	7-5	7-2	7-0 $\frac{1}{2}$	8-9
Pekoe souchong	6-3	5-7	5-8 $\frac{1}{4}$	5-3 $\frac{1}{2}$	6-5 $\frac{1}{4}$
Broken ditto	5-10	5-0	5-3 $\frac{1}{2}$	4-9 $\frac{3}{4}$	5-10 $\frac{6}{8}$
Pekoe fannings	6-6	5-7	5-10	5-3 $\frac{1}{2}$	6-7 $\frac{1}{8}$
Other low class	4-11	4-8	5-2	4-2 $\frac{1}{2}$	5-0 $\frac{1}{2}$

Of 478,326½ chests sold last year in Calcutta, the finer kinds (orange and flowery pekoe and broken orange, and flowery pekoe) were represented by 135,068 chests, being about 28 per cent. Pekoe and pekoe souchong were represented by 150,108 chests and 120,355 chests respectively.

The exports are in pounds (ooo's omitted) :—

	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.
United Kingdom .	93,222	98,731	100,209	111,169	108,513
Australia . .	2,880	3,419	5,119	5,204	3,908
Persian Gulf .	467	1,200	1,311	3,129	1,407
United States .	155	103	79	83	50
Canada . .	14	85	61	102	39
China . . .	19	33	61	51	72

The range of prices made the year a very satisfactory one for planters although the quantity exported diminished.

The following are the imports from India, Ceylon, and China into England in the last nine years (quantity stated in lb., ooo's omitted) :—

	From India.	From Ceylon.	From China.
1884 .	63,208	2,211	143,771
1885 .	64,382	4,242	139,673
1886 .	73,467	7,144	145,308
1887 .	84,645	13,062	119,799
1888 .	89,874	22,509	105,735
1889 .	95,384	32,673	88,558
1890 .	101,771	42,491	73,743
1891 .	109,638	61,900	62,284
1892 .	111,711	66,042	57,051

From India and Ceylon were imported last year more than three times as much tea as was imported from China. The Chinese trade has been moving steadily and rapidly on the down grade since 1886. As there has been considerable misapprehension expressed as to the reasons why India and Ceylon have been able to drive China out of the English field, it may be as well to observe that the determining cause is certainly not the cheapness of price of Indian tea. On the average the price of Indian tea is materially higher in London than that of China tea, as is evident from the declared value per pound as entered in the returns of the Board of Trade. These are subjoined :—

	Imported from		Difference per cent. against India.
	India.	China.	
	d.	d.	
1883 .	15'0	11'4	24
1884 .	14'1	10'6	24'8
1885 .	13'9	11'0	20'8
1886 .	13'7	10'5	23'3
1887 .	11'9	9'3	21'8
1888 .	11'8	9'8	17
1889 .	11'5	9'5	17'4
1890 .	11'2	9'2	17'8
1891 .	11'0	9'3	15'5
1892 .	10'3	8'7	15'5

It will be seen that at the lowest point the average value of Indian tea is 15½ per cent higher than that of China tea. Notwithstanding this difference, however, the English consumer prefers Indian tea which he and she find to be on the whole more economical, though costing more on purchase, and more palatable than the trash received from China. During the last few years the Chinese have had to send a better class of teas to England to retain a hold of the market, but they cannot afford to sell their better teas at the prices ruling, and unless and until they can obtain all the advantages of the Indian and Ceylon planter and relieve themselves of their own positive disadvantages, they will find it impossible to compete with India and Ceylon.

Opium.

The exports were :—

	Chests.	Rx.	Average value. Rs.
1882-83 . .	91,798	11,481,376	1,251
1883-84 . .	91,963	11,294,460	1,228
1884-85 . .	86,578	10,882,606	1,257
1885-86 . .	87,956	10,735,518	1,220
1886-87 . .	95,839	11,077,669	1,155
1887-88 . .	90,096	10,067,764	1,117
1888-89 . .	87,789	10,508,081	1,197
1889-90 . .	85,166	10,115,936	1,188
1890-91 . .	85,753	9,261,814	1,080
1891-92 . .	87,558	9,562,261	1,092
1892-93 . .	75,384	9,255,014	1,228

The price of Bengal opium rose rapidly in the beginning of the year, but it has since fallen heavily with the fall in exchange with China. The price of Malwa opium also slightly improved.

	1889-90.	1890-91.	1891-92.	1892-93.
Exported from Bengal, chests .	55,985	57,597	56,773	48,149
„ Bombay, „ .	29,181	28,156	30,785	27,235

Average price—

	Bengal. Rs.	Bombay. Rs.
1889-90 .	1,138	1,282
1890-91 .	1,038	1,165
1891-92 .	1,059	1,152
1892-93 .	1,243	1,200

The exports were thus distributed (in chests).

	1887-88.	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.
China—Hong-Kong .	59,508	56,166	54,272	52,566	50,523	37,981
„ —Treaty Ports .	17,307	16,725	15,830	18,289	20,282	21,790
Straits	12,368	13,995	13,749	13,915	15,035	12,609
Cochin-Chin . .	670	725	1,050	480	880	2,170
Other countries .	243	178	265	503	838	834

Indigo.

The exports of the last ten years were as follow :—

	Cwt.	Rx.		Cwt.	Rx.
1883-84 .	168,590	4,640,991	1888-89 .	142,447	3,948,594
1884-85 .	154,629	4,068,900	1889-90 .	157,116	3,863,084
1885-86 .	132,495	3,783,160	1890-91 .	118,425	3,073,125
1886-87 .	138,396	3,691,677	1891-92 .	125,327	3,214,076
1887-88 .	139,644	3,890,649	1892-93 .	126,703	4,141,179

In the cultivation of this most precarious and uncertain plant Bengal again had an extremely bad season. Madras did better, having recovered from the effects of the drought which prevailed for two years in succession, and there was a comparatively large export from Bombay and Sindh, so that on the whole the

exports were slightly larger than in 1891-92. The exports from Bengal and Madras were as follows :—

	Bengal.	Madras.
1889-90	91,835	53,889
1890-91	69,819	40,696
1891-92	98,075	19,718
1892-93	61,637	47,116

Prices ranged high in the year compared with the low point to which they fell in 1892, a compensation to the Bengal planter for the restricted quantity he was able to export. The total value of the 61,637 cwt. exported from Calcutta last year was Rx. 2,600,446, which was hardly less than the Rx. 2,636,039 at which the 98,075 cwt. exported in 1891-92 were valued. The average value per cwt. which, in 1891-92, was about Rs. 269, was in 1892-93 Rs. 422.

Two or three years ago it was noted in one of these reviews that printed cotton blouses were displacing among the peasantry of Persia the indigo-dyed blouses that had been in constant use, and it is now reported that the fellahin of Egypt are substituting blouses imported ready dyed with alizarine colours for the blouses dyed in the country with indigo.

The other dying and tanning stuffs are of small importance compared with indigo. The trade in them for the last two years has been as follows :— *Other dyes.*

	1891-92.		1892-93.	
	Cwt.	Rx.	Cwt.	Rx.
Cutch	197,059	317,296	229,316	382,484
Myrabolams	790,802	393,690	667,549	336,709
Turmeric	42,391	45,476	59,907	71,272

Raw materials and unmanufactured articles.

The exports of the last ten years have been as follow (in cwt., 000's omitted) :— *Cotton.*

	Cwt.	Rx.		Cwt.	Rx.
1881-82	5,627	14,935,959	1887-88	5,374	14,412,842
1882-83	6,168	16,049,017	1888-89	5,331	15,045,647
1883-84	5,979	14,383,728	1889-90	6,320	18,668,404
1884-85	5,066	13,286,367	1890-91	5,914	16,502,775
1885-86	4,190	10,777,204	1891-92	4,425	10,754,311
1886-87	5,433	13,468,429	1892-93	4,789	12,743,679

Not much can be said for the trade of the year in this important staple except that it was better than that of the preceding year. That year, however, was one of the worst yet known in the trade as regards the quantity of the crop and the prices ruling. In both respects there was some recovery last year, especially after it was announced that the American cotton crop would be deficient.

The exports in the last five years have been directed to the countries named below :—

	Cwt. (000's omitted.)					
	1887-88.	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.
United Kingdom	2,140	1,776	2,166	1,520	710	528
Italy	774	781	957	823	588	709
Austria	688	755	741	719	548	594
Belgium	676	873	941	907	670	684
France	487	549	635	688	509	537
Germany	139	190	486	810	745	915
Russia	134	150	94	82	53	204
Spain	45	72	72	115	61	89
Other Continental countries	37	9	7	11	12	61
China	202	139	125	119	110	46
Japan	...	...	61	78	401	444

The exports to the Continent formed about 80 per cent of the whole exports, the quantity sent to England being only about 11 per cent of the whole, and of this 11 per cent rather more than half is re-exported from England to the Continent. The English spinners in fact refuse to take more than between 5 and 6 per cent of the cotton we have available for export, preferring American, Egyptian and other cotton.

There are only two in the foregoing list of countries to which attention need be drawn. Unless the increasing cultivation of cotton in Central Asia should interfere, Russia may become a considerable consumer of our cotton, the development of the trade in petroleum from Russia to India having facilitated the development of return freights of cotton and other merchandise. The increase in the export to Japan indicates the extent to which that enterprising country is spinning cotton by machinery. The British Consul at Yokohama, reporting on the trade of 1892, mentions that, according to an official return published in November of that year, there were 37 spinning mills in Japan with 447,376 spindles, and the British Consul at Hiogo says the number will be augmented by 100,000 in 1893. The consequence of this development to India has been the restriction of the Japanese demand for our yarn and an enormously increased demand for our raw cotton.

The centre of this important trade, both as regards manufacture and exportation of the raw material, is in Bombay, whence 80 per cent of the exports were made in each of the last two years :—

	Cwt. (000's omitted.)				
	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.
Bombay	4,198	4,819	4,562	3,544	3,861
Madras	595	862	847	594	507
Bengal	375	452	355	127	245
Sindh	130	144	121	150	156
Burma	32	42	28	10	20

Bengal exports only about 5 per cent of the whole. Bengal proper in fact produces no cotton, but Calcutta used to be the port of shipment for cotton produced in the North-Western Provinces intended for China and other countries in the East. Now most of that trade has been diverted to Bombay.

Hides and Skins. The average number of hides exported annually in the last five years has been about 6,660,000. There has been no material increase in this trade in recent years, doubtless because of the increased demand in the country itself for hides for tanning purposes. The bulk of this trade is carried on with the European Continent—Austria, France, Germany, Italy. In the export of skins (chiefly goat skins) there has been a large increase of late years. Of this trade the United States possess about three-fourths. In the case of both hides and skins the shipments are mainly made from Bengal.

Fute. The exports in the last ten years were as follows (cwt., 000's omitted) :—

	Cwt.	Rx.
1882-83	10,349	5,846,926
1883-84	7,018	4,592,635
1884-85	8,369	4,661,368
1885-86	7,782	4,355,362
1886-87	8,307	4,869,815
1887-88	9,643	6,040,379
1888-89	10,553	7,897,154
1889-90	10,256	8,639,861
1890-91	11,986	7,602,010
1891-92	8,532	6,848,493
1892-93	10,537	7,944,223

The declared export values of the last five years averaged—

	Rs.
1887-88	. 6.26 per cwt.
1888-89	. 7.5 "
1889-90	. 8.42 "
1890-91	. 6.34 "
1891-92	. 8.02 "
1892-93	. 7.54 "

In discussing the trade of 1891-92 the remark was made that "last year with a very short crop prices again rose very high. This is always a very speculative trade, and speculation in it was at its height in Calcutta last year." The speculation continued in 1892-93 with unfortunate results to some, but the features of the trade are accurately presented by the Collector of Customs in Calcutta, in the remarks quoted below :—

"The past year has been a most unfortunate one for many persons engaged in the jute trade. At the beginning of the year prices were high and remained so for some time. There was considerable speculation amongst shippers, who thought there would be a scarcity before the new crop came in, but they held too long, and a heavy drop in prices occurred owing to the forecast of a very large crop. Accepting this forecast balers sold largely to shippers who engaged their freight for the stuff they had bought. Supplies, however, came slowly into the market, and rumours were circulated that the crop was a small one, the consequence being that prices advanced. Balers and shippers were unable to fulfil their contracts, and claims have been made the results of which must have been serious for some of them. In freight alone, which is always a considerable charge, very heavy losses were suffered owing to the inability of shippers to load the ships chartered, and re-lets had to be made at very low rates. The forecast of the crop, however, finally turned out to be not so incorrect as was believed, and there was a fall in prices during the months of largest shipments, namely, October, November, and December, but by judicious management on the part of suppliers prices were again forced up, though in March 1893 they shewed a heavy decline on the opening prices of April 1892. To the shippers, however, who held off and bought at the low prices and with the low freights ruling the year cannot have been a bad one."

The destination of the jute has been as follows (cwt., 000's omitted) :—

	1887-88.	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.
United Kingdom	6,313	7,498	7,079	6,745	5,184	6,133
United States	2,331	1,682	1,804	2,716	1,573	1,928
Germany	351	684	652	1,433	950	1,361
France	54	161	233	295	218	326
Italy	266	184	223	305	186	288
Austria	183	203	110	317	149	255
Spain	124	104	113	137	63	185

Exports continue on a large scale though they have not reached the level of 1890-91 when the country was ransacked for every bone to be found lying on the ground. Last year's exports amounted to 47,584 tons of bones and 1,032 tons of other kinds of manures. These bones are scattered over the world, having been shipped to England, Belgium, Germany, the United States, Ceylon, Australia, and other countries. It would be best that the Indian agriculturist should use these fertilisers for his own fields, but if ancient custom or religious prejudice prevents him from using them, certainly the next best thing is to sell them for money to those who want them.

Saltpetre did better during the year than in any of the four preceding years, the exports amounting to 443,931 cwt., value Rx. 438,940.

Seeds.

Exports of ten years :—

	Cwt. (000's omitted.)	Rx.
1883-84 .	17,355	10,083,758
1884-85 .	18,251	10,745,203
1885-86 .	17,280	9,948,350
1886-87 .	15,866	9,198,560
1887-88 .	16,060	9,385,024
1888-89 .	15,570	9,561,756
1889-90 .	15,795	10,627,553
1890-91 .	14,799	9,343,252
1891-92 .	19,164	12,208,457
1892-93 .	16,509	11,631,015

The trade in the principal kinds of oilseeds was as follows in the last five years :—

	Cwt. (000's omitted.)				
	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.
Castor . .	586	895	860	836	989
Earthnuts .	828	1,394	1,525	1,530	1,525
Linseed . .	8,461	7,147	8,077	10,866	7,817
Poppy . .	730	483	678	616	502
Rape . .	3,061	3,904	1,555	2,616	2,802
Til or jinjili .	1,537	1,775	1,847	2,302	2,555

The decrease in the exports of oilseeds was due to the restriction of trade in linseed, the crop of which was poor both in Bengal and Bombay, from which provinces almost all the linseed that leaves India is exported. The exports from Calcutta and Bombay in the last two years have been :—

	1891-92. Cwt.	1892-93. Cwt.
Calcutta .	5,899,445	4,098,495
Bombay .	4,891,683	3,718,966

The exports of other seeds were well maintained. It will be noticed that the exports of earthnuts appear to have remained stationary for the last three years. This, however, is not entirely the case, for a great impetus has been given to the cultivation of this seed in the southern districts of Madras in consequence of the growing demand for it in Marseilles for soapmaking. But the export trade has been to some extent diverted from British Indian ports to the French-Indian ports of Pondicherry and Karikal, and the view of the progress of the trade is consequently obscured.

The export of cotton seed remains at an extremely low level, the quantity shipped last year being only 23,550 cwt., value under Rx. 6,200. Of this quantity only 218 tons were shipped to the United Kingdom though that country imported in all in 1892 the large quantity of 409,668 tons, mainly from Egypt. It seems singular that England will take neither our cotton nor our cotton seed, but it is not easy to understand what are the conditions which prevent the development of this trade. There must be a very large quantity of seed available in India, and there is a considerable demand for it in Europe.

Exports are as follow, in lbs. (ooo's omitted),—

Silk.

	Reeled.	Chasam (waste).	Cocoons.	Total value in Rx.
1883-84 . . .	673	886	44	627,612
1884-85 . . .	531	953	83	463,791
1885-86 . . .	358	1,024	57	332,251
1886-87 . . .	449	1,020	114	484,339
1887-88 . . .	453	998	173	480,811
1888-89 . . .	433	1,314	374	518,751
1889-90 . . .	593	1,233	263	639,818
1890-91 . . .	503	1,112	146	521,069
1891-92 . . .	519	1,012	131	518,627
1892-93 . . .	655	1,087	77	617,574

Bengal silk shared in the general good time which all raw silk had in Europe in 1892. For some occult reason that year saw a run on silk goods, and, to the surprise of traders, they saw the unaccustomed feature (in recent years) of consumption overtaking production.

The silks of the undomesticated worms (*tasar*, *munga*, *eria*, &c.) have not maintained the place in the export trade which they took a few years ago. In the last seven years the exports of such silks have been as follows:—

	lbs.
1886-87 . . .	443,140
1887-88 . . .	479,248
1888-89 . . .	618,723
1889-90 . . .	656,302
1890-91 . . .	374,587
1891-92 . . .	239,939
1892-93 . . .	240,604

Exports for the last twelve years:—

Teak timber.

	Cubic tons.	Rx.		Cubic tons.	Rx.
1881-82 . . .	56,377	506,792	1887-88 . . .	40,446	367,274
1882-83 . . .	59,187	611,260	1888-89 . . .	52,609	575,263
1883-84 . . .	46,471	525,447	1889-90 . . .	71,342	762,998
1884-85 . . .	47,556	532,129	1890-91 . . .	42,803	425,303
1885-86 . . .	50,076	550,515	1891-92 . . .	48,190	474,852
1886-87 . . .	23,946	223,154	1892-93 . . .	58,359	570,102

The trade was fairly good after two years of restriction, but the following remarks from the report of the British Consul at Bangkok for 1892 merit attention:—

“The quality of teak which has been shipped to London from Bangkok has much improved of late. Shipments are now confined to three British firms, and great care is exercised in selecting the choicest wood. Burma wood has still the best reputation in home markets, but there is now nothing to choose between the two. The preference is certainly to be given to Siam as regards cube average and length, the former of which occasionally reaches fifty feet and the average length is seldom below twenty-eight feet. The shorter lengths of fifteen to twenty feet seem to be plentiful in Burma cargoes, which is due to the fact that the forests on the Burma side are probably more exhausted than those of Siam. When the improved quality of Bangkok shipments becomes more generally known to buyers in London and on the Clyde, Siam teak will doubtless be more in demand than that of Burma.”

Siamese teak is now being imported into Bombay in competition with Burmese teak.

Wool.

The exports have been as follow in the last six years :—

	lbs. (ooo's omitted.)	Rx.
1887-88 .	23,877	972,346
1888-89 .	21,961	968,753
1889-90 .	23,870	1,085,637
1890-91 .	21,345	968,322
1891-92 .	22,314	1,013,864
1892-93 .	24,718	1,116,578

Here may be repeated the remarks made last year :—

"Indian wool is of such low quality that it is used only for the manufacture of the most inferior classes of goods, and even for them the demand is limited because it is troublesome to work owing to the admixture of hair and dirt in it. It is doubtful whether the trade will increase appreciably unless a radical modification of the conditions is secured. It is susceptible of large expansion, and the matter is worth the attention of those who are concerned in the trade."

The latest returns of the woollen manufacturing industry in India down to December 1892 shew that there are five mills, employing a capital of Rx. 295,000 and 2,582 persons, with 532 looms and 17,210 spindles. The industry made no advance in 1891 so far as the number of looms and spindles are concerned, but at Cawnpore much progress has been made in the classes of goods manufactured. Using Australian and Thibetan wool, the finer classes of goods—serges and other cloths, and hosiery—are being made of excellent quality, but as yet in comparatively limited quantity.

Articles manufactured and partly manufactured.

The following figures indicate the relative proportions of each principal class of manufactures and the progress made since 1881-82 :—

	1881-82. Rx.	1890-91. Rx.	1891-92. Rx.	1892-93. Rx.	Increase or decrease per cent compared with 1881-82.	
Cotton yarn and cloth.	2,010,516	7,702,640	7,035,036	8,100,658	+	303
Jute goods . . .	1,097,589	2,481,961	2,513,100	3,237,993	+	195
Silk goods . . .	221,617	203,181	183,957	197,178	—	11
Woollen goods . . .	196,683	104,166	94,788	120,080	—	39
Tanned hides and skins	1,918,973	2,535,363	2,818,959	2,956,439	+	54
Lac	709,256	781,264	750,531	780,163	+	10
Coir goods . . .	182,114	194,801	244,929	232,279	+	27
Apparel	58,524	103,429	119,204	145,426	+	148

The increase in this class is one of the most satisfactory features of Indian trade. In five years the value of the exports of manufactured goods has increased from Rx. 13,109,477 to Rx. 16,424,756, an increase of 25 per cent, and there is good reason to anticipate that these are but the small beginnings of a trade which in the future will be many times its present dimensions.

Cotton yarn.

For the first time the quantity of yarn exported shews a decline, after continued advance year by year, and the decline is not immaterial, being close on 5 per cent. The exports are as follows :—

	lbs. (ooo's omitted.)	Rx.		lbs. (ooo's omitted.)	Rx.
1883-84 .	49,876	1,926,162	1888-89 .	128,907	5,207,100
1884-85 .	65,897	2,441,101	1889-90 .	141,950	2,748,732
1885-86 .	78,242	2,755,252	1890-91 .	169,275	6,543,364
1886-87 .	91,804	3,336,861	1891-92 .	161,253	5,771,033
1887-88 .	113,451	4,077,386	1892-93 .	189,175	6,773,482

Although the quantity exported increased by 17 per cent and the value increased in like proportion, the year's trade can hardly be regarded as satisfactory. The production of the mills has for the time overtaken consumption, and with dull and dragging markets in China where the Indian yarns are in the main consumed, it was decided last February to be necessary for the mills to work short time.

The following remarks are quoted from the report of the Bombay Mill-owners' Association for 1892 :—

"In some respects the past year has been a disappointing one for those engaged in cotton spinning and weaving in India, the high prices attained by the raw material having seriously circumscribed profits; but, on the other hand, there is much room for satisfaction in the fact that the consumption of goods and yarns, both locally and in the further East, shews a steady rate of progression; and, doubtless, when prices of cotton recede to a level which will enable manufacturers to sell at rates low enough to encourage consumption, a marked expansion in the demand will be experienced." "Although, as previously mentioned, there has been a continuously large and, in fact, increased demand for the productions of the mills, the high prices of cotton towards the end of the year have so materially curtailed profits that several millowners and agents have shewn a desire to adopt short time. Up to the time of writing this report, however, the movement has not received general support, and opinion seems considerably divided as to whether, in the eventual interests of the industry, it will not be better—while the demand is so good—to continue working at a very bare margin of profit, or even with no profit at all, in preference to enhancing the cost of production by short time."

The exports of cotton piece goods (grey, white, and coloured) in the same period have been (in yards, 000's omitted):—

1883-84 .	55,564	1888-89 .	70,244
1884-85 .	47,908	1889-90 .	59,462
1885-86 .	51,528	1890-91 .	67,639
1886-87 .	53,360	1891-92 .	73,351
1887-88 .	69,434	1892-93 .	79,679

The distribution of the exports in the last three years has been as follows :—

	Yarn, lbs. (000's omitted.)			Piece goods, yards. (000's omitted.)		
	1890-91.	1891-92.	1892-93.	1890-91.	1891-92.	1892-93.
China . . .	151,050	145,558	176,860	5,538	7,351	13,506
Japan . . .	11,876	6,682	7,352	17	...	65
Aden . . .	1,852	2,251	1,347	12,685	11,764	12,370
Straits . . .	2,045	3,987	1,729	5,498	6,318	6,775
Asiatic Turkey . .	943	941	747	1,306	2,789	2,294
Java . . .	533	284	326	...	26	39
Arabia . . .	299	440	286	2,643	3,209	3,525
Persia . . .	324	392	337	930	1,715	1,375
East Coast of Africa (Mozambique and Zanzibar). }	46	118	44	25,509	27,835	24,888
Abyssinia . . .	...	4	...	3,940	1,773	3,154
Ceylon . . .	265	46	70	6,533	6,692	7,219
Mekran and Sonmiani }	42	7	75	1,062	1,537	1,623
Other countries }	...	541	...	1,978	...	2,844

The progress of the spinning and weaving industry in the last fifteen years is shewn in the table appended :—

Year.	Number of mills.	Number of spindles.	Number of looms.
1878-79 .	58	1,436,464	12,983
1882-83 .	62	1,654,108	15,116
1887-88 .	97	2,375,739	18,840
1890-91 .	125	3,197,740	23,845
1891-92 .	127	3,272,988	24,670
1892-93 .	130	3,378,303	26,317

Only five new mills have been constructed during the last two years.
The mills are located as follows:—

	Mills.	Spindles.	Looms.
Bombay Presidency	88	2,402,673	19,847
Bengal (suburbs of Calcutta)	8	304,354	...
Madras	11	239,200	973
North-Western Provinces	5	134,428	2,156
Punjab (Delhi)	2	21,642	154
Central India (Indore)	1	26,036	464
Central Provinces	5	87,944	876
Ajmere-Merwara	1	12,312	250
Hyderabad	3	52,238	609
Berar	1	17,636	214
Mysore	2	29,784	215
Pondicherry	2	27,056	559
Travancore	1	23,000	...

About 121,000 persons are stated to have been employed in the mills at the end of 1892-93 and the capital invested is returned at Rx. 11,340,000, but several of the mills, private concerns, make no return of their capital, the figures being confined to mills worked by joint stock companies.

About three-fourths of the spinning and weaving capacity of the Indian mills are concentrated in the Bombay Presidency and mostly in the city and suburbs of Bombay.

Jute.

The value of the exports of manufactured jute in the last ten years has been:—

	Rx.		Rx.
1883-84	1,334,145	1888-89	2,571,477
1884-85	1,543,870	1889-90	2,791,242
1885-86	1,130,808	1890-91	2,481,961
1886-87	1,151,858	1891-92	2,513,100
1887-88	1,746,360	1892-93	3,237,993

The exports of gunny bags and cloths have been as follow, the quantities being stated in numbers for bags and yards for cloth, 000's omitted in both cases:—

	Bags.	Cloth.		Bags.	Cloth.
1883-84	63,646	7,049	1888-89	99,790	15,160
1884-85	82,779	15,344	1889-90	97,416	37,144
1885-86	63,760	20,154	1890-91	98,749	29,854
1886-87	64,570	12,799	1891-92	106,251	37,289
1887-88	74,368	13,683	1892-93	123,975	40,060

The large increase in the exports of gunny bags was to a material extent counteracted by a restriction in the demand for bags in other parts of India, so far as the figures of the coasting trade indicate that demand, but on the whole the mills had a good year.

The destinations of the bags have been as follow:—

	1891-92.	1892-93.
United Kingdom	14,461,500	21,746,768
United States	19,513,106	19,213,800
Australia	18,834,915	23,826,306
China	10,277,685	12,328,050
Straits	13,880,000	15,796,764
South America	6,671,700	8,228,950
Other Countries	22,611,706	22,834,348

Of the gunny cloths more than three-fourths are taken by the United States.

The statistics of the 25 jute mills in Bengal are as follow:—

	1891-92.	1892-93.
No. of looms	8,543	8,814
„ of spindles	171,134	177,718
„ of persons employed—daily average .	65,000	66,013
Nominal capital (figures incomplete) Rx.	3,104,500	3,409,950

With the exception of tanned hides and skins and lac, the other articles in this class are of no special importance singly.

The exports of tanned hides and skins (mainly from Madras) in the last five years have been as follow, most of the exports being to England :—

*Tanned Hides
and Skins.*

	Cwt.	Rx.
1888-89 .	272,960	2,614,102
1889-90 .	260,716	2,524,008
1890-91 .	272,376	2,535,363
1891-92 .	290,401	2,818,959
1892-93 .	298,930	2,956,439

This trade has been making considerable progress during the last two years, and though the scarcity has no doubt assisted, by supplying the skins cheaply, it would seem that the industry has now been established on a sound basis.

The exports of shell and button lac declined again, following a decline in the *Lac.* preceding year, but prices were high, the value being Rx. 780,163 compared with Rx. 750,531, although the quantity was only 125,613 cwt. compared with 137,466 cwt. The trade is very speculative and fluctuating.

A small trade which may in the future grow to considerable proportions if, *Oilcake.* instead of shipping oilseeds, we should press the seeds in India and export the oil, is the export of oilcake to England and Ceylon. In the last five years the value of the trade has risen from Rx. 64,397 to Rx. 118,495.

CHAPTER IV.

Trade with Countries.

In the subjoined table are given the figures of our trade (merchandise only) with the several divisions of the world during the last three years :—

	1890-91. Rx.	1891-92. Rx.	1892-93. Rx.
With Europe	115,044,358	117,156,569	111,652,397
With Africa and adja- cent islands	9,632,186	12,388,786	9,882,659
With Asia	36,588,254	37,413,865	38,947,566
With America	6,429,218	6,402,423	7,301,177
With Australia	1,476,605	1,261,412	1,357,228
TOTAL	169,170,621	174,623,055	169,141,027

During the year the trade with Europe fell off by 4·6 per cent, and with Africa by more than 20 per cent. The trade with Asia increased by 4 per cent, with America by 14 per cent, and with Australia by 7½ per cent.

The following table shows the value of the merchandise interchanged in the last three years with the principal countries with which we have commercial relations :

	1890-91. Rx.	1891-92. Rx.	1892-93. Rx.
1. United Kingdom	84,857,056	82,812,412	77,317,138
2. { China—Hong-Kong	11,592,162	11,446,502	11,501,325
{ „ Treaty Ports	5,268,530	5,254,136	5,894,671
3. France	8,695,093	12,009,383	10,142,280
4. Germany	6,086,746	6,616,134	7,979,400
5. Straits Settlements	8,059,602	7,602,766	7,120,759
6. Belgium	5,629,094	6,790,285	6,074,482
7. United States	5,503,992	5,079,207	5,662,279
8. Egypt	4,630,909	7,310,940	5,028,788
9. Italy	4,131,841	3,538,308	4,023,693
10. Ceylon	3,381,720	3,595,541	3,949,746
11. Austria	3,582,676	3,020,102	3,643,285
12. Mauritius	2,870,796	2,980,913	2,605,578
13. Persia	2,451,125	2,723,344	2,586,879
14. Japan	1,270,458	1,360,950	1,708,581
15. Arabia	1,268,607	1,301,281	1,586,351
16. Russia in Asia	858,968	1,129,129	1,488,623
17. South America	732,000	998,911	1,377,820
18. Australia	1,476,605	1,261,412	1,357,228
19. Zanzibar, Mozambique, and other ports on the East Coast of Africa	1,347,367	1,239,170	1,269,292
20. Turkey in Asia	931,961	1,352,253	1,203,557
21. Aden	1,017,136	952,135	1,116,051
22. Holland	428,617	1,087,486	877,604

Our total trade (merchandise and treasure) in the year 1892-93 with gold standard countries was Rx. 147,218,375, and with silver standard countries Rx. 45,861,456. The trade with gold standard countries was thus over 76 per cent, and with silver standard countries under 24 per cent, of the whole trade, and the former was to the latter in the ratio of more than 3 to 1. It is assumed in making this calculation, that (1) all European countries except Russia, and all the American countries with which we trade except South America, are gold countries; (2) all the African countries with which we trade except Egypt, Cape Colony, Natal, and St. Helena, and all the Asiatic countries except Java, Persia, and Turkey, are silver countries.

European trade.

Our trade in merchandise with the European Continent was last year 71 per cent of our whole trade, and the trade with the United Kingdom is 69 per cent of the trade with Europe. The bulk of the imports into India comes from the United Kingdom, but the exports from India are much more equally divided amongst other European countries, thus :—

	Rx.
Imports { From United Kingdom	44,005,841
{ From other European countries	5,819,648
Exports { To United Kingdom	33,311,297
{ To other European countries	28,515,611

The trade with the United Kingdom declined by 6·6 per cent, following a *United Kingdom.* smaller decline in the preceding year.

The import trade was as follows :—

	Rx.
1891-92	48,271,400
1892-93	44,005,841

the decrease being nearly Rx. 4¼ millions. The extent to which this decline was due to a restriction in the imports of cotton yarns and fabrics is apparent from the following figures :—

	1891-92.	1892-93.
	Rx.	Rx.
Value of cotton yarns	3,432,094	2,606,482
„ cotton fabrics	24,614,008	22,364,694

These articles declined to the extent of Rx. 825,612 and Rx. 2,249,314 respectively, making a total decline of over Rx. three millions. In the case of yarns, imports from the United Kingdom declined proportionately less than imports from other countries, but, as the United Kingdom has practically the monopoly of the importation of yarns into India, that fact has no significance. In the case of fabrics, the imports from the United Kingdom declined while imports from other European countries increased, the value of imports from Europe (excluding the United Kingdom) being Rx. 444,245 last year against Rx. 373,020 in 1891-92. As will be noticed, however, the total value is a trifle compared with the value of imports from England.

The decline in these goods in the year is in a material degree due to the strikes in Lancashire which, with other causes, increased the cost of Manchester goods to the point at which buying stopped and demands were met from stocks in hand. These stocks were allowed to run down to a very low ebb, and they are being replenished by much larger imports during the present year. But there is no doubt, looking at the course of the trade over a series of years, that the competition of the Indian mills is telling on the imports of Manchester goods. The mills are gradually beginning to make the medium classes of goods which form the bulk of the imports, and they are also beginning to bleach and dye these goods.

Various other commodities also declined : coal, hardware and cutlery, liquors, copper, tin, iron and steel, railway material, paper, silk and woollen goods. An examination of the returns tends to support the conclusion that, in respect of British manufactures, Continental competition is gradually making way, and in respect of Continental goods of which the United Kingdom was the depôt for shipment, the trade with India is being conducted direct in an increasing degree.

The diversion of our exports from the United Kingdom direct to the Continent is also becoming increasingly visible. Thus our exports of cotton have dwindled very rapidly in recent years as will be seen from the following figures :—

	Cwt.		Cwt.
1883-84	2,697,000	1888-89	1,776,000
1884-85	2,135,000	1889-90	2,166,000
1885-86	1,433,000	1890-91	1,520,000
1886-87	2,046,000	1891-92	710,000
1887-88	2,140,000	1892-93	528,000

The explanation is that in England Indian cotton has been used in a decreasing degree since the Indian mills entered upon effective competition with the Lancashire mills in the spinning of the lower counts for which Indian cotton was mainly used. What was shipped to England was to a very large extent reshipped to the Continent, and now it is going direct to the Continent from India to the saving of freight and other charges. As regards other staple exports, the trade was smaller in wheat, hides, lac, linseed, raw silk, sugar, and tea ; and it was larger in rice, indigo, skins, raw jute and gunny bags, and raw wool. It may be that the exports of gunny bags indicate an increasing success in the competition of Calcutta with Dundee, but in other respects these fluctuations present no special significance as regards the trade of the United Kingdom, compared with that of other countries, with India.

It must be noted again however, as was done last year, that the proportion of our trade with the United Kingdom to our trade with the world generally has been declining. In 1881-82 it was as much as 57 per cent of the whole ; in 1890-91 it was just over 50 per cent ; in 1891-92 it had fallen to 47·4 per cent ; and last year the proportion was only 45·7 per cent.

The import trade continues to increase : last year it was Rx. 1,031,939, an increase of about 23 per cent on the trade of the preceding year. Probably some of this large increase was due to the diversion of trade from Hamburg to Trieste in consequence of the cholera epidemic. The increase was spread over most of the goods which form the bulk of the trade of Austria and Germany with India : cotton prints, aniline and alizarine dyes, beads and other glassware, printing paper, silk goods, sugar, and woollen goods.

The export trade also increased by about 20 per cent, though it was still materially below the level reached in the three years before 1891-92. The increase was in the main due to a revival of the trade in cotton and indigo, and in hides and jute, the two former articles forming the bulk of the trade.

The import trade has again largely expanded, reaching Rx. 1,645,470 last *Belgium*. year, being an increase of 24 per cent on the trade of the preceding year. Probably, as in the case of Trieste, Antwerp may have got some trade which would in an ordinary year have gone to Hamburg. But certainly imports from Belgium have in recent years increased in a surprising degree. The trade was last year more than three times as large as it was five years previously. The subjoined list shews the principal articles imported from Belgium and the development of the trade in the five years :—

	1888-89. Rx.	1892-93. Rx.
Iron	143,139	597,912
Steel	43,788	152,045
Aniline and alizarine dyes . .	76,349	282,731
Glass—sheet and other ware . .	64,298	125,053
Hardware and cutlery	24,532	61,233
Candles	11,034	48,683
Earthenware and porcelain . .	8,144	48,044
Copper	8,437	40,061
Matches	5,009	32,634

Exports to Belgium have not increased in the same period to anything like the same extent. Last year's exports were in fact rather less than in 1888-89, though in the intervening years they have risen to a high level. Last year succeeded a year of extraordinary exports of wheat, and this trade having receded to a point even lower than its normal level, the totals have been materially affected, although a larger trade was done in cotton and oilseeds.

Imports were slightly under the point reached in the preceding year, Rx. *France*. 1,034,358 compared with Rx. 1,035,978. There is nothing special in the fluctuations of the trade to call for notice. It has on the whole a tendency to increase, but it presents no new features.

The export trade was much smaller than that of the preceding year, which, however, was quite abnormally large, owing to the enormous exports of wheat consequent on the failure of the harvests in Continental Europe. French fiscal restrictions have reduced the exports of rice to a very low point. Our main exports to France are coffee, cotton, indigo, wheat, hides and horns, jute, oilseeds, raw silk, pepper. Among oilseeds earthnuts have taken a conspicuous place in recent years, the increase of the trade being shewn in the figures below :—

	Cwt.	Rx.
1888-89	556,969	335,891
1889-90	802,409	487,346
1890-91	995,875	577,962
1891-92	1,185,358	687,445
18 92-93	1,228,339	859,951

The cultivation of this oilseed, which is used by the soap manufacturers of Marseilles, has taken great extension in southern India, and, in addition to the increasing quantities shipped to France from British Indian ports, large quantities are taken from British districts to the French Indian ports for export.

Germany.

The value of the imports was Rx. 1,451,330, being close on 5 per cent short of that of the preceding year, the cause of the decrease lying in a large reduction in the exports of salt. There was a general restriction of trade in most articles, with the exception of sugar in which there was some recovery. The outbreak of cholera at Hamburg had a somewhat serious interrupting effect on trade.

Exports, however, increased largely, rising from Rx. 5,073,527 to Rx. 6,517,185, the trade in cotton, jute, hides, and oilseeds having been active. Germany was also one of the very few countries which took a larger quantity of wheat from us last year.

Holland.

The imports, consisting mainly of cotton prints, coal-tar dyes, gin, and woollen goods, have increased to Rx. 206,746, the value five years previously having been only Rx. 11,715. Exports, as was anticipated, have receded greatly from the level of 1891-92, when the trade in wheat and linseed was abnormal. The value of the trade, Rx. 670,433, is nevertheless double what it was five years previously.

Italy.

Imports fell from Rx. 535,906 to Rx. 356,306, the principal articles in the trade all shewing a decline: corals, beads, cotton prints, and silk piece-goods. Exports, however, recovered from the depression of the preceding year, the trade in cotton, jute, hides, oilseeds, and raw silk having advanced. But the development of our trade with Italy has been but slow and unsatisfactory, owing partly to the fact that Italy has nothing to send us but a few luxuries for which the demand in India is but limited, and partly to the protective fiscal régime now in force in Italy and the financial and commercial condition of the country during the last two or three years.

Malta.

Trade with this island consisted almost entirely of the export of rice to be stored in the rock granaries until a demand arose in Italy, but with the imposition in Italy of import duties which are intended to keep out foreign rice, the trade has fallen away to next to nothing. The total value of Indian exports last year was only Rx. 84,344, of which the exports of rice were Rx. 70,344.

Russia.

Russia in Europe sends us nothing and we send nothing to Russia in Asia. But as we import from Asiatic Russia and export to European Russia, it will be convenient to treat the whole Empire together here. Imports from Asiatic Russia consist, practically exclusively, of kerosine oil from Batoum. The rapid development of this trade has been referred to elsewhere (page 11). It has raised the value of the imports from Russia in five years from Rx. 834,790 to Rx. 1,488,623.

Exports to Russia consist almost entirely of cotton, indigo, and seeds sent to Odessa, and the trade fluctuates greatly with the fluctuations in the trade in cotton. In 1891-92, in consequence of the famine in Russia, the shipments of cotton were reduced to a minimum: last year they were four times as large. The total value of exports was Rx. 682,869.

AFRICAN COUNTRIES.

The largest part of our trade with Africa and the islands on its eastern coast is carried on with Egypt, and in the main it is really trade with Europe, most of the exports being shipped to Egypt only nominally. *Egypt.*

Imports are as yet small, only amounting to Rx. 158,995 last year, but that sum was double the value of the imports five years before. The increase is due to the expansion in the imports of Egyptian long-stapled cotton for the Bombay mills, where it is now being used for the manufacture of some of the finer classes of goods, for which the Indian short-stapled cotton is unsuitable. The imports of this cotton have rapidly increased in recent years, as will be seen from the figures below, and it is possible that the import may be but the beginning of a large trade:—

	Cwt.	Value. Rx.
1888-89	850	2,108
1889-90	385	1,337
1890-91	3,513	14,699
1891-92	6,479	25,421
1892-93	28,548	86,759

More than four-fifths of the exports were represented by rice and wheat shipped to Port Said for orders. There was a very large decline in the exports in the year.

There was a heavy decline in the import last year of sugar which, with a little cocoanut oil, is the only thing received from Mauritius. The destructive cyclone which ravaged the island last year interfered greatly with the trade, and the deficiency in Mauritius sugar was supplied to some extent by sugar from China. *Mauritius.*

Exports fell off also, the demand for rice, the principal export, having been smaller than usual, the purchasing capacity of the colony having been greatly affected by the cyclone, and the deficiency in the quantity of exportable sugar diminished the demand for gunny bags.

The trade with this country lies in the main in the export thither of jawár and bájra, millets for which the demand is, to much the largest extent, confined to the Arabian and African coasts. The exports to Abyssinia of these millets practically only began five or six years ago. In the last three years the quantity shipped has averaged 492,000 cwt. There is a much smaller demand for Indian cotton piece-goods in this region than might have been expected, only 3,154,000 yards having been exported in the year. *Abyssinia.*

Rice and gunny bags constitute the main features of the trade. The value of the exports last year of rice was Rx. 71,075 and of gunny bags Rx. 126,701. *Cape Colony.*

The trade is much the same as to Cape Colony, with the addition of provisions and other articles required for the Indian coolie population in the colony. Of rice the value was Rx. 67,438, and of gunny bags Rx. 43,514. *Natal.*

Imports are small, and limited mainly to ivory. There is a fairly large trade done in exports of foreign goods, largely Manchester cottons, but Indian cottons are shipped in much more considerable quantities—9,843,000 yards last year,—and the trade should be capable of great development. *Mozambique.*

Zanzibar.

Imports from this island are rapidly dwindling, as will be apparent from the import values below :—

	Rx.
1888-89 . .	568,474
1889-90 . .	359,805
1890-91 . .	412,673
1891-92 . .	291,723
1892-93 . .	228,306

There were three principal articles in the import trade : cloves, ivory, and cocoanut-kernel. The last has almost ceased to be dealt in, and the other two have been fast diminishing. They were brought to Bombay to be for the most part re-shipped to Europe, but there has been a great development of direct communication between Zanzibar and Europe by means of British and German steamers, and the trade has been largely diverted from Bombay.

The exports and re-exports also have not been increasing, though they have not diminished as the import trade has done :—

	Re-exports. Rx.	Exports. Rx.
1888-89 .	185,092	282,573
1889-90 .	265,310	416,830
1890-91 .	270,893	365,525
1891-92 .	224,411	412,428
1892-93 .	242,617	400,232

The most important part of this trade—the export of Indian piece-goods—has not been increasing as it ought to have done, and it would seem that European goods must be competing successfully with our manufactures in these regions. The exports have been in the five years :—

11,643,000	yards.
13,411,000	„
18,121,000	„
19,169,000	„
15,030,000	„

AMERICAN COUNTRIES.

United States.

The imports from the States now consist practically of the following articles :—

	1891-92. Rx.	1892-93. Rx.
Mineral oil, chiefly kerosine . .	1,084,148	1,027,940
Cotton piece-goods (grey) . .	55,193	34,955
Tobacco	20,584	20,706
Clocks and watches	10,299	10,960

These items make a total of Rx. 1,094,561, the aggregate of the import trade being Rx. 1,134,438. Mineral oil forms the bulk of the trade, and the imports, after reaching nearly 36 million gallons in 1889-90, have fallen steadily since then, under the pressure of competition with Russian oil, to but little over 26 million gallons last year. The imports continue during the present year to diminish rapidly and the imports from Russia to increase.

Exports to the United States, on the other hand, increased largely during the year, rising from Rx. 3,872,593 to Rx. 4,512,988. This increase was due to the higher prices which ruled for indigo and jute manufactures, of both of which the States take a large quantity, and to largely increased exports of cutch, raw skins, raw jute, saltpetre, and cocoanut oil. These increases in prices and quantities largely counterbalanced the restrictions of trade in some other articles which the United States take extensively from India, such as lac and linseed. The trade in the last mentioned article has, indeed, as observed in the review of the trade of 1891-92, been practically extinguished by the operation of the McKinley tariff. The extent and present condition of the trade will be seen from the figures subjoined:—

	Cwt.	Rx.
1888-89 .	712,042	449,435
1889-90 .	772,758	509,196
1890-91 .	797,363	488,105
1891-92 .	125,660	76,304
1892-93 .	17,899	13,489

Linseed is being shipped now in increasing quantities to the West Indies and to South America, probably as a consequence of the stoppage of the trade with the United States.

This trade is limited in effect to the export of rice and gunny bags to Brazil *South America.* and the countries employing coolie and Chinese labour, and both articles were shipped in largely increased quantities during the year, raising the value of the export trade from Rx. 996,418 to Rx. 1,368,910. It may be noted that the trade has increased about threefold in five years.

COUNTRIES IN ASIA.

There is no feature in the trade with Aden and Arabia calling for special *Aden and Arabia.* notice. The trade continues on the lines that have often been mentioned in these reviews, and last year it was considerably larger than usual in consequence of great activity in the export of rice.

The import and export trade with Ceylon also presents no special feature, *Ceylon.* except that the import of tea into India continues with some activity, 633,596 lb. having been imported last year. As a sort of return gift on a smaller scale, 139,084 lb of Indian tea were shipped to Ceylon.

Imports were slightly smaller than in the preceding year in consequence of a *China.* reduction in the trade in raw silk, and exports were larger, the trade in yarns having revived after the depression of the year before.

Much attention has been drawn to the trade with China in connection with the recent legislation closing the Indian mints to the unrestricted coinage of silver for the public, and somewhat exaggerated ideas of its importance have been expressed, especially by the chairman of a meeting of the shareholders of the Hongkong and Shanghai Banking Corporation, held at Hongkong a few weeks ago, who is reported to have spoken as follows: "During the twenty years from 1872 to 1892 the trade of India doubled, while that portion of it with which we are the more intimately acquainted, namely, the trade with China, was increasing by leaps and bounds." In order that accurate notions on this subject may be substituted for general impressions and picturesque remarks, a table is attached of our import and export trade with China for the last quarter of a century.

Years.	IMPORTS.				EXPORTS.			
	Silk, raw.	Silk goods.	Tea.	Total of all imports.	Cotton, raw.	Cotton yarn.	Opium.	Total of all exports of Indian goods.
	Value. Rx.	Value. Rx.	Value. Rx.	Value. Rx.	Value. Rx.	Value. Rx.	Value. Rx.	Value. Rx.
1868-69 . .	653,881	205,763	171,824	1,475,530	1,650,740	38,037	9,837,261	11,668,738
1869-70 . .	792,121	193,387	146,212	1,618,498	1,186,621	45,089	10,880,084	12,296,095
1870-71 . .	788,861	172,065	97,244	1,537,129	2,117,245	25,310	9,856,439	12,171,607
1871-72 . .	517,564	215,937	163,729	1,358,613	1,159,215	58,688	12,273,480	13,747,005
1872-73 . .	519,949	172,203	201,782	1,355,172	1,185,684	65,436	10,529,673	12,074,348
1873-74 . .	631,433	211,084	151,035	1,396,565	897,111	78,981	10,274,422	11,431,361
1874-75 . .	691,205	253,108	120,959	1,519,750	439,471	83,671	10,862,694	11,590,065
1875-76 . .	553,482	256,638	200,867	1,517,984	1,257,328	204,414	9,776,701	11,434,460
1876-77 . .	349,051	141,179	121,053	1,109,859	833,478	303,914	11,174,121	12,578,307
1877-78 . .	522,343	180,150	172,545	1,423,673	577,147	606,615	11,203,997	12,634,935
1878-79 . .	415,842	223,626	112,079	1,394,375	565,706	758,991	11,916,605	13,563,194
1879-80 . .	502,964	236,138	190,543	1,579,074	869,751	970,515	13,123,489	15,399,151
1880-81 . .	794,958	329,001	230,349	1,989,762	1,060,845	1,101,862	12,293,330	14,824,671
1881-82 . .	515,668	224,897	149,024	1,540,961	983,854	1,149,807	11,011,657	13,488,564
1882-83 . .	845,730	343,068	146,327	2,072,037	951,669	1,497,894	10,140,079	13,037,676
1883-84 . .	754,187	401,843	199,131	2,133,644	745,654	1,585,491	10,288,453	13,074,765
1884-85 . .	532,407	311,239	281,490	1,865,724	585,184	2,081,619	9,450,180	12,471,893
1885-86 . .	571,900	338,154	261,932	1,851,747	534,144	2,392,704	9,301,258	12,556,020
1886-87 . .	647,239	408,316	283,053	2,187,958	321,212	2,859,549	9,673,908	13,332,521
1887-88 . .	871,013	474,582	213,043	2,415,036	512,649	3,264,046	8,684,310	12,954,096
1888-89 . .	630,283	378,517	285,387	1,911,837	369,306	4,071,515	8,876,635	14,074,558
1889-90 . .	758,057	517,620	299,287	2,449,501	349,376	4,547,171	8,421,143	13,801,477
1890-91 . .	813,111	430,896	277,747	2,420,295	319,783	5,794,193	7,729,641	14,295,934
1891-92 . .	983,954	533,648	351,893	2,877,138	266,051	5,161,716	7,803,855	13,711,883
1892-93 . .	725,025	629,612	384,323	2,842,530	126,880	6,290,561	7,317,578	14,402,271

The average value of the total trade in the first five years of this period was Rx. 13,860,546, and in the last five years Rx. 16,547,484, and the increase in the 25 years amounts to only 19·3 per cent, a rate of increase which is far smaller than the rate of increase of Indian trade generally in the same period. In the first five years of the same period the Indian trade with the world generally (taking only merchandise imported and Indian merchandise exported as in the case of China) was Rx. 87,144,188; in the last five years it was Rx. 164,900,069, the increase amounting to as much as 89·2 per cent compared with the trifle of 19·3 per cent in the case of China. The truth indeed is that our trade with China has been of a non-progressive character, and that its growth has been smaller than that of our trade with almost any other country. The imports from that country are small, and as regards tea they do not carry any special advantage to this country, for the tea is for the most part brought to India for re-shipment to the Persian Gulf, or across the frontier, to markets which ought to be supplied with our own tea. In exports from India we find the trade in raw cotton, which formerly was extensive, apparently approaching extinction, and the value of the opium trade seriously diminished. The only other article exported which is worth mention is cotton yarn, and the development of that trade alone has saved the trade with China from falling very materially below the level of a quarter of a century ago. If the other branches of our trade with China had increased in anything like the same proportion as the yarn trade, the trade would indeed have increased by "leaps and bounds," but all that has been secured by the enlargement of that trade has been that a serious decline has been prevented.

In the last five years the value of our exports to Japan has increased from Rx. 1,037,322 to Rx. 1,617,371, an increase of about 56 per cent. In last year's trade the exports of raw cotton, cotton yarn, and gunny bags all increased, but the increase in yarns has not continued into the present year in which a heavy decline has taken place. The bulk of the export trade consists of raw cotton and yarn, and the figures of the trade are subjoined :

	Raw cotton. cwt.	Cotton yarn. lbs.
1887-88 .	125	17,391,646
1888-89 .	390	23,143,460
1889-90 .	60,837	22,686,714
1890-91 .	77,757	11,876,422
1891-92 .	400,952	6,682,050
1892-93 .	443,988	7,351,801

It was mentioned in the review of last year that the increased demand for the raw material and the decline in the demand for Indian yarns are the result of the establishment of the spinning industry in Japan. Some particulars of this industry are given elsewhere in this review.

In discussing the trade with Persia for 1891-92 the hope was expressed that the export of Indian tea would rapidly increase. The hope has not been realised, and the trade has declined materially as the subjoined figures of the exports of foreign and Indian tea will shew :—

	Foreign. lbs.	Indian. lbs.
1887-88 .	1,245,526	263,073
1888-89 .	2,148,808	402,488
1889-90 .	1,673,175	1,118,126
1890-91 .	2,973,817	1,221,478
1891-92 .	3,115,691	2,789,175
1892-93 .	3,240,763	1,406,625

In the present year, however, the export seems to be increasing.

The export of rice was materially below that of 1891-92, and was indeed much below the average, local needs having been supplied from Cochin-China. The result was a heavy fall in the export trade, of which rice forms a substantial proportion.

The trade declined, imports of wheat having fallen from the relatively high level reached in 1891-92, and smaller quantities having been taken of Manchester and Bombay cottons and yarns and of the other goods that comprise the trade.

AUSTRALIA.

The importation of copper fell to a very low point. The export of gunny bags recovered substantially from the depression of the preceding year, and this article was little less than three-fourths of the whole export trade. There was a considerable reduction in the quantity of tea exported.

CHAPTER V.

Provincial Trade.

The figures of the trade of each province stand thus (in Rx.) :—

Imported Merchandise.

	1890-91.	1891-92.	1892-93.
Bombay	27,543,173	25,760,606	25,269,580
Bengal	26,080,318	25,346,863	23,225,266
Madras	6,219,325	6,003,935	5,248,396
Burma	5,489,739	5,503,802	5,444,990
Sindh	3,702,344	3,972,250	3,416,798

Exported Merchandise.

	1890-91.	1891-92.	1892-93.
Bombay	37,859,465	40,635,690	40,450,365
Bengal	37,259,267	39,941,001	41,629,884
Madras	10,714,371	10,037,976	11,125,421
Burma	9,602,861	10,082,526	9,200,783
Sindh	4,699,757	7,338,816	4,129,543

Taking imports and exports of merchandise together, the foreign trade of each province stood as follows during the last three years in Rx. :—

	1890-91.	Percentage on whole trade.	1891-92.	Percentage on whole trade.	1892-93.	Percentage on whole trade.
Bombay	65,402,638	38·66	66,396,296	38·09	65,719,945	38·86
Bengal	63,339,585	37·44	65,287,864	37·96	64,855,150	38·34
Madras	16,933,696	10·01	16,041,911	9·18	16,373,817	9·68
Burma	15,092,600	8·92	15,586,328	8·92	14,645,773	8·66
Sindh	8,402,101	4·97	11,311,066	7·05	7,546,341	4·46

Last year was the exact converse of the year which preceded it. Then the trade of every province increased, Madras excepted. Last year the trade of every province declined, Madras excepted. Madras was suffering from drought and scarcity in 1891-92, from which the province had recovered by last year, but the trade did not quite reach the level of 1890-91. The decline was large in Burma and much larger in Sindh, in consequence of the restricted export of rice from the former province and of wheat from the latter. In Bengal and Bombay the decline was not serious.

The trade and navigation of India with foreign countries have been distributed during the last five years in the following proportions between the five chief ports. Treasure is included in the trade here :—

	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.
<i>Trade—</i>					
Bombay . .	44·03	43·95	43·82	41·58	44·68
Calcutta . .	35·6	34·04	34·08	35·1	34·43
Rangoon . .	5·2	5·76	6·45	6·57	6·51
Madras . .	5·3	5·58	5·38	5·96	4·77
Karachi . .	4·26	4·53	4·41	4·74	4·01
TOTAL . .	94·39	93·86	94·14	93·95	94·4
<i>Shipping—</i>					
Bombay . .	35·22	31·48	31·33	32·9	33·78
Calcutta . .	25·41	24·74	23·61	23·64	25·88
Rangoon . .	10·1	10·9	12·8	11·12	10·72
Madras . .	7·22	8·26	7·87	8·85	7·64
Karachi . .	6·71	7·76	8·03	7·7	6·78
TOTAL . .	84·66	83·14	83·64	84·21	84·8

The following figures shew the actual extent of the foreign trade of the largest ports of India in merchandise only, imports and exports (including re-exports), during the last five years in Rx. :—

	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.
Bombay . .	65,292,332	65,748,016	65,371,569	66,351,980	65,674,674
Calcutta . .	62,288,262	63,112,379	61,750,573	63,933,101	63,640,119
Rangoon . .	9,310,022	10,893,701	12,437,563	12,614,528	12,525,228
Madras . .	9,296,678	10,339,281	10,020,739	8,917,973	9,067,535
Karachi . .	7,377,212	8,405,722	8,402,099	11,310,986	7,546,292
Tuticorin . .	1,655,090	2,264,742	2,036,035	1,648,226	1,802,644

The increase or decrease of trade during this period in these ports has been at the rate mentioned below :—

Bombay . .	+	59 per cent.
Calcutta . .	+	2'17 „
Rangoon . .	+	34'53 „
Madras . .	—	2'46 „
Karachi . .	+	2'29 „
Tuticorin . .	+	8'92 „

Except Madras and Tuticorin, the trade of each of them was less than the trade of the preceding year, materially less in the case of Karachi; but the trade of that port was greatly augmented in 1891-92 by the abnormal export of wheat.

Government Stores.

The total value of these transactions was Rx. 3,749,655, being about 20 per cent in excess of those of the preceding year, imports of stores amounting to Rx. 3,660,247 against Rx. 2,844,926. The increase was distributed over most of the larger heads: railway material, metals, machinery, coal, army munitions, woollen goods.

Customs Revenue.

The gross sum received on imports (excluding salt) since 1888-89 is as follows :—

	1888-89. Rx.	1889-90. Rx.	1890-91. Rx.	1891-92. Rx.	1892-93. Rx.
Arms and ammunition . .	26,089	23,867	28,047	31,730	31,163
Malt liquor	15,205	17,439	17,325	18,659	19,078
Cider and other fermented liquor	151	219	180	205	158
Spirits	482,854	492,371	533,385	518,838	543,226
Liquors	6,456	6,943	6,859	7,434	7,554
Wines	43,618	42,294	43,151	44,450	40,235
Opium	306	285	325	349	330
Mineral oil	117,489	162,392	165,040	174,662	202,308
Imports by post, &c. . . .	159	133	139	132	116
Total gross revenue . . .	692,327	745,943	794,451	796,459	844,170
Total net revenue	676,284	724,116	774,269	771,487	821,056

The net export revenue for the same years (levied exclusively on rice) is—

	Rx.
1888-89 . .	597,956
1889-90 . .	705,721
1890-91 . .	900,647
1891-92 . .	857,502
1892-93 . .	725,402

CHAPTER VI.

Balance of Trade.

The excess of exports over imports, including treasure as well as merchandise, for each of the last ten years was (Rx.):—

	Including Government transactions.	Excluding Government transactions.
1883-84 .	21,029,100	23,521,000
1884-85 .	15,634,600	18,059,700
1885-86 .	13,855,800	17,626,300
1886-87 .	17,359,900	20,398,400
1887-88 .	13,317,800	15,774,700
1888-89 .	15,548,400	18,266,400
1889-90 .	18,709,700	21,219,400
1890-91 .	8,440,700	11,253,200
1891-92 .	27,305,200	29,869,100
1892-93 .	30,279,300	33,850,100

The average excess of the ten years is Rx. 20,984,000.

In the same period the drawings of the Secretary of State in Council bills have been—

	£	Exchange. Pence.	Rx.
1883-84 .	17,599,805	19'536	= 21,621,400
1884-85 .	13,758,909	19'308	= 17,102,400
1885-86 .	10,292,692	18'254	= 13,532,500
1886-87 .	12,136,279	17'441	= 16,700,300
1887-88 .	15,358,577	16'899	= 21,812,400
1888-89 .	14,262,859	16'379	= 20,899,100
1889-90 .	15,474,496	16'565	= 22,418,700
1890-91 .	15,969,033	18'089	= 21,186,900
1891-92 .	16,093,854	16'733	= 23,082,800
1892-93 .	16,532,215	14'984	= 26,478,400

The average being £ 14,747,872 = Rx. 20,483,490.

Gold and Silver Coin and Bullion.

The imports and exports during the last ten years were—

	Rx.		
	Imports.	Exports.	Balance net. Imports.
1882-83 .	5,095,100	164,200	4,930,900
1883-84 .	5,469,400	6,900	5,462,500
1884-85 .	4,778,100	106,200	4,671,900
1885-86 .	3,091,500	328,600	2,762,900
1886-87 .	2,833,600	656,500	2,177,100
1887-88 .	3,236,100	243,600	2,992,500
1888-89 .	3,119,100	305,200	2,813,900
1889-90 .	5,071,000	455,700	4,615,300
1890-91 .	6,500,800	864,600	5,636,200
1891-92 .	4,118,900	1,705,100	2,413,800
1892-93 .	1,781,789	4,594,472	{ - 2,812,683 } (net exports)

Silver—

1882-83 .	8,358,000	877,800	7,480,200
1883-84 .	7,408,500	1,003,400	6,405,100
1884-85 .	9,110,000	1,864,400	7,245,600
1885-86 .	12,386,200	779,600	11,606,600
1886-87 .	8,219,700	1,064,000	7,155,700
1887-88 .	10,589,800	1,361,100	9,228,700
1888-89 .	10,725,900	1,479,200	9,246,700
1889-90 .	12,388,500	1,450,600	10,937,900
1890-91 .	15,433,600	1,258,500	14,175,100
1891-92 .	10,603,700	1,581,500	9,022,200
1892-93 .	15,228,021	2,364,452	12,863,569

In 1891-92 gold began to flow out of the country in quantities greatly in excess of the usual export. In 1892-93 the movement continued in an increasing degree, and we have seen what has only once before been seen since statistics were first collected in 1835, a net export of gold. The single precedent for this was in 1878-79, a year of intense famine when the people had to part with hoarded gold and export it instead of the produce which the soil had refused to bear. The exports of last year were to a great extent speculative and based on the profit likely to accrue from an exchange of gold for silver. There was an unusually large speculative purchase of gold in 1890-91 when it was obtained cheaply, and the gold then bought was sold at a good profit in 1891-92 and 1892-93. There was a strong demand for gold from Austria-Hungary in view to the establishment of the gold standard in that country; and it is said that much of the gold shipped from India was bought to supply that demand.

The imports of silver into India were on an extremely and unnecessarily large scale. They have been exceeded only three times before since 1835, namely, in 1865-66 and 1877-78, both of them years of famine and borrowing, and in 1890-91 when the imports were entirely speculative. This may also be said of the imports of 1892-93, the silver being hurried into the country from December onwards to June in anticipation of the closure of the mints to coinage for the public.

The following statement shews the forms in which silver is mostly presented at the mints :—

	1890-91 Ounces.	1891-92. Ounces.	1892-93. Ounces.
Bar silver	17,646,552	14,985,688	35,435,996
Sycee silver	5,205,912	3,888,421	1,940,254
Dollars (mainly Mexican) can)	12,914,737	4,772,295	3,143,159
Other sorts	6,819,803	418,501	314,213
Total	<u>42,587,004</u>	<u>24,064,905</u>	<u>40,833,622</u>

The very large quantity of "other sorts" in 1890-91 was due to an importation of Roumanian five-lei pieces which that country sold when it adopted a gold standard, and sold to advantage owing to the rise in the gold price of silver in that year; and to an importation of Japanese yens and Maria Theresa dollars also shipped to India as a speculation to take advantage of the open mints and the rise in the price of silver. Ordinarily the bulk of the imports consists of the three kinds specified above—bar, sycee, and Mexican dollars.

CHAPTER VII.

Shipping.

The shipping returns, as was to be expected, are as unfavourable as the trade returns. A smaller number of vessels entered and cleared, the aggregate tonnage and the average tonnage of each vessel was smaller, the proportion of steam tonnage to the whole was smaller, the number of steamers entered was smaller, and the clearances of steamers in ballast were larger.

The total number and tonnage of the shipping, steam and sailing, with cargoes and in ballast, which entered from and cleared to foreign countries, during each of the last five years, are as follows :—

YEAR.	Number.	Tons.	Average tonnage.
1887-88	10,893	7,189,465	660
1888-89	10,485	6,983,332	666
1889-90	10,673	7,315,586	685
1890-91	11,023	7,684,954	697
1891-92	11,158	8,590,651	770
1892-93	10,723	7,692,291	717

Steamer tonnage represented 77 per cent of the whole. The total number of steamers which entered and cleared was 3,854, with an aggregate burden of 5,927,299 registered tons, the average tonnage of each steamer being 1,538 tons. About 6 per cent of the steamers which cleared left in ballast.

Of the total of 7,692,291 tons, the entries from and clearances to the United Kingdom were 2,718,651, being less than in 1891-92 but 35·3 per cent of the total against 33 per cent in 1891-92. Entries from and clearances to British possessions have also declined from 2,676,044 tons to 2,470,873 tons. There was a large decrease also in the number and tonnage of vessels entered from and cleared to foreign countries :—

	No.	Tons.
1890-91	2,852	2,243,652
1891-92	3,537	3,064,043
1892-93	3,121	2,502,767

The relative proportions of tonnage entered and cleared were as follows :—

From and to the United Kingdom about 35·3 per cent of the whole.

"	"	British possessions	"	32·1	"	"	"
"	"	foreign countries	"	32·6	"	"	"

The decline in the tonnage of trade with foreign countries was due mainly to restricted intercourse with Belgium, France, Holland, Italy, and Egypt, the last being the consequence of the smaller trade in rice and wheat.

The vessels carrying the trade of India for the most part fly the British flag, the tonnage of vessels sailing under that flag representing 81 per cent against 83 per cent of the whole in 1891-92 and 82·4 per cent in 1890-91.

The tonnage of vessels under foreign flags was 12·8 per cent of the whole against 11·3 per cent in 1891-92.

The proportion of the tonnage of vessels under the British Indian registry was not quite 4 per cent of the whole. These are all sailing vessels of small tonnage.

The total number of vessels under foreign flags which entered and left last year was 1,415 against 1,366 in 1891-92 and 1,206 in 1890-91, their burden aggregating 988,707 tons against 976,848 tons in 1891-92 and 884,684 tons in 1890-91. The principal flags were—

	1889-90.		1890-91.		1891-92.		1892-93.	
	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.
German . .	138	180,996	167	253,665	203	309,262	260	365,940
Italian . .	114	177,200	100	159,876	90	167,926	93	151,240
Austrian . .	100	181,939	93	164,759	98	165,530	103	177,692
French . .	121	116,404	126	110,714	130	99,773	106	79,194
Norwegian .	68	61,877	42	41,516	85	78,201	73	69,482
Arab . .	620	79,994	496	68,950	529	72,591	559	76,473
American . .	31	44,043	27	38,391	23	30,914	11	15,110

The continued increase of tonnage under the German flag and the progressive decline of the American flag are conspicuous in this table.

The native craft employed in the foreign trade are slowly but surely disappearing :—

	No.	Tons.
1890-91 .	3,523	169,607
1891-92 .	3,202	171,149
1892-93 .	3,153	166,404

The shipbuilding industry in India is of the smallest dimensions. The numbers built in the last two years were as follows :—

	1891-92.				1892-93.	
	Steamers.		Sailing vessels.		Sailing vessels.	
	No.	Tons.	No.	Tons.	No.	Tons.
In Bengal .	1	80	7	1,034	1	133
In Bombay .	...	...	44	1,110	47	1,115
In Sindh .	...	...	5	252	5	221
In Madras .	...	...	25	670	12	356
In Burma .	...	...	4	170	7	316
Total .	1	80	85	3,236	72	2,141

Section II.—Trans-Frontier Trade.

CHAPTER VIII.

The trade compares with that of the preceding year as follows :—

	Imports. Rx.	Exports. Rx.	Total. Rx.
1891-92 . . .	4,249,592	4,067,644	8,317,236
1892-93 . . .	3,895,389	3,594,690	7,490,080

The following figures give the trade with each principal country in the last two years. The countries are arranged geographically, proceeding from west to east along the line of frontier :—

	1891-92. Rx.	1892-93. Rx.
Lus Bela . . .	67,428	68,322
Khelat . . .	54,439	77,604
Kandahar . . .	995,445	532,085
Zhob and Loralai . .	85,866	59,975
Sewestan . . .	162,113	129,472
Kabul . . .	871,759	831,671
Tirah . . .	22,673	22,523
Bajaur . . .	182,815	257,176
Kashmir . . .	1,312,123	1,020,134
Ladakh . . .	53,017	53,855
Thibet . . .	180,235	158,010
Nepal . . .	3,003,619	2,624,238
Sikkim . . .	34,714	42,451
Bhutan . . .	55,812	42,185
Hill Tipperah . . .	49,680	65,592
Western China . . .	150,874	155,686
Siam . . .	119,815	179,500
North Shan States . .	388,626	370,980
South Shan States . .	45,902	222,529
Karenni . . .	228,766	299,610
Zimmé . . .	227,393	249,792

The largest proportion of the trade (about 31 per cent of the whole) is carried on over the Punjab frontier with Kabul and Kashmir. Bengal follows with 25 per cent of the whole, the trade being carried on with Thibet, Nepal, Bhutan, and Sikkim, the bulk of the trade being with Sikkim. Burma comes next with nearly 20 per cent of the whole, the trade being carried on with Western China, Siam, the Shan States, Karenni, and Zimmé. The trade of the North-Western Provinces, carried on with Thibet and Nepal, is under 13 per cent of the whole. The trade across the border of Sindh and Baluchistan is as yet relatively insignificant, though it is possible that, when the railway is fully utilised by the people across the border, there may be a large development of trade. It is impossible to anticipate any material development of the trade passing across the Assam frontier.

The only countries with which anything like considerable trade is at present carried on are Nepal, Kashmir, Kabul, and Kandahar—

Nepal.

	Imports. Rx.	Exports. Rx.
1891-92 . . .	1,557,525	1,333,998
1892-93 . . .	1,344,937	1,182,167

The effects of the drought of 1891-92, when the import of food-grains from Nepal was prohibited, were felt in the restriction of trade during the year 1892-93. The imports of food-grains were indeed resumed, but they were smaller than the average, and there was a largely reduced import of cattle, fruits and vegetables, opium, and timber. The timber trade is said to be adversely affected both by State prohibition and by exhaustion of the forests.

All the larger items of the export trade also decreased : cotton yarn and piece goods, metals, petroleum, provisions, spices, sugar, tobacco. A small trade had been created in Indian tea, but not a pound went across the Nepal frontier last year. The trade in salt continues to expand for the reason mentioned in the review for 1891-92.

	Imports. Rx.	Exports. Rx.
1891-92 .	596,788	656,467
1892-93 .	507,329	476,398

Kashmir.

The decline in the trade is attributed to the drought and cholera which prevailed in the valley last year, and also to the severity of the winter which kept the routes impracticable much longer than usual.

	Imports. Rx.	Exports. Rx.
1891-92 .	218,120	653,639
1892-93 .	220,850	610,501

Kabul.

There was a larger import of fruits and nuts, due partly to the occurrence of a very good crop, but probably more to the active intervention of the Amir in the trade. The intervention, however, had the effect of reducing the exports, for the traders found their return to Kabul so retarded that they hurried back without return loads.

The export of Indian tea has not been maintained :—

	Foreign tea. Cwt.	Indian tea. Cwt.
1890-91 .	4,479	4,429
1891-92 .	7,003	6,285
1892-93 .	7,853	3,353

But there is no doubt that much of the decline is a diversion of trade, the tea now being shipped from Bombay up the Persian Gulf instead of passing through Kabul.

The export of sugar is but small and is likely to be smaller, for the Amir has increased the customs duty from Rs. 18 to Rs. 25 the camel load, an increase of 39 per cent., and Russian sugar is actively imported from Russian Turkestan.

	Imports. Rx.	Exports. Rx.
1891-92 .	469,254	526,191
1892-93 .	234,428	297,657

Kandahar.

There was a heavy fall in the imports of raw wool and of fruits and nuts (which articles constitute the bulk of the import trade) owing to the order of the Amir prohibiting his subjects from using the railway at Chaman, an order which was enforced through great part of the year.

	Imports. Rx.	Exports. Rx.
1890-91 .	53,435	108,749
1891-92 .	46,336	104,538
1892-93 .	50,532	93,574

Western China.

This trade has had to struggle against the exactions of the Chinese officials and other brigands, and it remains unprogressive. It is to be hoped that, with the satisfactory termination of the negotiations for the regulation of commercial intercourse now in progress between the British and Chinese Governments, the trade will increase, and that its progress will be accelerated by the extension of the railway in the direction of the frontier.

Section III.—Coasting Trade.

CHAPTER IX.

The total trade, imports and exports, merchandise and treasure, was in the last ten years :—

	Rx.
1883-84 .	61,461,631
1884-85 .	58,401,555
1885-86 .	57,598,286
1886-87 .	56,165,363
1887-88 .	60,738,634
1888-89 .	60,166,070
1889-90 .	59,211,043
1890-91 .	65,586,392
1891-92 .	67,896,004
1892-83 .	66,097,299

The trade was rather smaller than in the preceding year, but was larger than in any year but that. It is not a quickly increasing trade, for though in some places the transit of commodities by sea increases, in others it is reduced by the expansion of railway communication or by the substitution of direct foreign trade for the receipt of goods imported from some larger port.

Taking the export value as representing the actual value, the trade of the last four years compares thus, in Rx. :—

	1889-90.	1890-91.	1891-92.	1892-93.
Merchandise (Indian) .	20,602,449	22,416,965	23,468,875	23,230,640
„ (foreign) .	6,570,235	6,566,577	6,829,130	7,150,335
Treasure .	1,651,528	2,236,590	2,727,792	2,080,175

The figures do not include exports of Government stores or treasure.

Indian Merchandise.

The principal articles in the trade are mentioned below, in the order of their importance, and placed against them are their import values in the last four years, that is, the value of the imports into British Indian ports :—

	1889-90. Rx.	1890-91. Rx.	1891-92. Rx.	1892-93. Rx.
1. Grain and pulse . . .	3,623,702	4,494,350	4,641,335	4,417,857
2. Cotton, raw . . .	3,984,187	5,429,809	3,657,586	4,114,713
3. Cotton manufactures, including twist and yarn .	1,753,704	2,016,576	2,195,275	2,000,024
4. Jute manufactures . . .	1,231,946	1,525,141	1,800,649	1,526,056
5. Spices . . .	1,384,095	1,314,806	1,248,503	1,338,890
6. Seeds . . .	976,335	1,163,681	1,180,536	1,156,905
7. Provisions . . .	719,810	817,548	830,881	942,234
8. Salt . . .	738,652	905,368	945,242	927,690
9. Teak timber . . .	850,828	943,323	789,746	821,464
10. Cocoanuts and kernel .	721,496	748,529	999,269	775,371
11. Tobacco . . .	459,407	500,590	65,566	727,963
12. Jute, raw . . .	1,164,136	918,360	761,091	677,272
13. Sugar . . .	653,662	619,936	634,724	644,328
14. Oils . . .	630,862	624,895	731,126	623,705
15. Coffee . . .	371,303	356,608	420,640	557,420
16. Hides and skins . . .	470,841	460,214	514,173	556,896
17. Spirits . . .	347,015	342,347	397,733	400,972
18. Timber and wood, other than teak . . .	420,692	405,808	394,134	380,086
19. Coal . . .	104,046	148,858	192,001	269,104
20. Tea . . .	132,628	112,508	253,820	128,218

There are no particular features in the trade calling for special remark except perhaps the increasing trade in coal. The exports of Bengal coal from that province to other provinces, although still very small, have increased rapidly in the last few years :—

	Tons.
1888-89 .	41,145
1889-90 .	53,052
1890-91 .	105,721
1891-92 .	123,087
1892-93 .	195,760

The coal now goes to Burma, Madras and Bombay, to which province 50,330 tons were sent last year, in competition with English coal. Bombay is now the only Indian province which still largely consumes English coal.

The reduction in the trade in tea is the result of the decline in the exports of tea to the Persian Gulf from Bombay, to which port the tea is sent coastwise for shipment to the Gulf.

The imports of cotton yarn into Bengal were materially smaller than in 1891-92, only 14,271,000 lbs against 16,905,000 lbs, but the latter quantity was unusually large. Burma also took a smaller quantity.

The trade in food-grains continued on an extensive scale, owing to the continuance of drought and scarcity in Madras, the imports into that province for the last four years being :—

	Cwt.
1889-90 .	3,040,011
1890-91 .	5,173,829
1891-92 .	6,328,805
1892-93 .	6,014,376

Coasting Shipping.

The following table gives the number and registered tonnage of the vessels engaged in the coasting trade during the last five years (ooo's omitted in tonnage) :—

<i>Entered.</i>						
	STEAMERS.		SAILING VESSELS.		NATIVE CRAFT.	
	No.	Tons.	No.	Tons.	No.	Tons.
1888-89 .	7,316	7,246	3,241	245	185,659	3,089
1889-90 .	7,847	7,643	2,959	227	182,155	3,006
1890-91 .	8,751	8,673	2,565	202	166,113	2,826
1891-92 .	8,868	9,161	2,774	217	160,294	2,700
1892-93 .	8,968	9,371	2,582	232	155,167	2,656
<i>Cleared.</i>						
1888-89 .	7,307	7,213	3,370	252	167,221	2,953
1889-90 .	7,844	7,617	3,066	233	165,673	2,881
1890-91 .	8,759	8,717	2,550	193	153,824	2,682
1891-92 .	8,862	9,099	2,636	196	149,785	2,555
1892-93 .	8,996	9,409	2,607	241	145,832	2,624

* The feature of these tables is the continued increase in the number and tonnage of steamers and the continued decline in sailing vessels and native craft.

J. E. O'CONOR.

SIMLA;
September 23, 1893.

Government of India
STATISTICAL BUREAU

REVIEW

OF THE

TRADE OF INDIA

IN

1895-96

- I.—Foreign Sea-borne Trade
 - II.—Trans-Frontier Trade
 - III.—Coasting Trade
-

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THE TRADE OF BRITISH INDIA

WITH FOREIGN COUNTRIES

for the official year ending March 31, 1896.

INTRODUCTORY.

General Summary.

The imports and exports of the year are set out below in comparison with *Total values*. those of the preceding four years (in Rx.):

Imports—

	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.
Merchandise	66,587,457	62,605,030	73,956,957	70,167,438	69,316,395
Gold	4,118,929	1,781,789	3,146,530	1,756,280	5,029,269
Silver	10,603,733	15,228,021	15,278,726	7,802,727	8,329,716
Total Imports	81,310,119	79,614,840	92,382,213	79,726,445	82,675,380

Exports—

Foreign merchandise re-exported	4,485,179	4,590,290	4,431,975	5,057,561	4,717,979
Indian merchandise	103,550,831	101,945,707	102,015,615	103,757,438	109,545,161
Gold	1,705,137	4,594,472	2,505,284	6,730,374	2,503,317
Silver	1,438,049	2,334,522	1,519,453	1,427,643	1,728,984
Total Exports	111,179,196	113,464,991	110,472,327	116,973,016	118,495,441

In England there was some revival of business after a period of depression; the termination of the war between China and Japan at the beginning of the year was the signal for the energetic resumption of commercial enterprise in those countries; the United States and the Australian colonies emerged from the depression which had hung over them for two or three years; exchange was fairly steady; most of the Indian manufacturing industries were in a flourishing condition, the paper mills alone lying under a temporary depression; Indian agriculture was on the whole not unsuccessful though there were exceptions in Northern India in respect of some important staples which were injured by a somewhat scanty S.-W. monsoon and its early termination; and on the whole there was but one special incident to seriously interrupt the even course of trade. That incident, which was perhaps the principal feature of the year, was the agitation which was continued from the preceding year on the subject of the import duty on cotton yarns and fabrics. In 1894 the agitation was carried on in India against the exclusion of these articles from the import tariff schedules when most other imported articles were subject to duty. This agitation subsided on the inclusion of these articles in the tariff in December 1894, though some discontent was caused by the imposition of a countervailing excise on yarns made in the Indian mills of counts above No. 20. But the agitation was forthwith transferred to Lancashire and continued throughout the year, subsiding only when the Government in February 1896 modified the tariff by the entire exemption of yarns (the rate of duty on dyed yarns having previously, shortly after the beginning of the year, been reduced to one-half per cent) and the reduction of the rate of duty on all other cotton

General features.

Cotton duty.

manufactures from 5 per cent to $3\frac{1}{2}$ per cent *ad valorem*. This settlement of the questions in dispute does not seem to have quite contented the Lancashire mill-owners, and the owners of Indian weaving mills are also dissatisfied because, while the excise imposed on yarns above No. 20 (of which a relatively trifling quantity is spun) was abandoned, it was transferred, with a $3\frac{1}{2}$ per cent rate, to all fabrics woven in Indian mills.

Imports.

The imports of cotton goods in 1894-95 had been extremely large, mainly in consequence of the anticipation that the Government of India would not continue the exemption of these articles given by the tariff of March 1894, and a most active trade was carried on in order to escape the anticipated duty and obtain the profit on goods unsold in the country at the time of its imposition. This large importation had followed an equally large importation made in 1893-94, and therefore, when the duty was imposed in December 1894 and the agitation against its continuance began, the Indian markets were largely over-supplied with imported cottons. The reaction which invariably follows a period in which supplies have been thrown on a market much in excess of its consuming capacity was no doubt all the greater as the result of the agitation; for merchants are apt to restrict their transactions when fiscal conditions are unsettled and uncertain. The combination of the two factors of over-supplied markets and fiscal uncertainty resulted in an extremely large contraction of the trade, its value declining from Rx. 32·67 millions to Rx. 25·75 millions.

Apart from this shrinkage in the trade in cotton manufactures, the import trade of the year was much larger than that of the preceding year,—so much larger that although there was a reduction of nearly seven millions of Rx. in cotton goods, the whole value of imported merchandise was less than a million of Rx. short of that of the preceding year. The subjoined figures merit attention, both as shewing the very large dimensions of cotton goods in our import trade and the large increase in trade in other goods which were not affected by the fiscal uncertainties which for two years in succession violently affected the imports of manufactured cotton :

	1894-95. Rx.	1895-96. Rx.	Change in 1895-96.
Cotton goods	32,673,628	25,755,872	— 21·1 %
All other imported merchandise	37,493,810	43,560,523	+ 16·1 %

With the exception of coal and woollen goods, all articles of importance increased more or less materially. In a few other articles there was also a decline in trade, but nothing of any significance except in the case of grain and pulse, where the decline is not matter for dissatisfaction. Next to cotton manufactures the most important articles in the import trade are metals, machinery and mill-work, petroleum, and sugar, and under all these heads a substantial increase is recorded, the increase being quite remarkable in the first three of the four.

Exchange, silver, and gold.

Next to the agitation on the question of the import duty on cottons, the most noticeable feature of the year was the steadiness and upward tendency of the exchange value of the rupee. The difference between the highest and the lowest rate of exchange was indeed greater than in the preceding year, but the intermediate fluctuations were not so great. The rates were as follow for bank bills on demand in Calcutta :

	Highest.	Lowest.	Difference per cent.
1894-95	13 $\frac{1}{8}$ d.	12 $\frac{1}{8}$ d.	10·18
1895-96	14 $\frac{1}{8}$ d.	13 $\frac{3}{4}$ d.	11·6

The price of silver also, both in London and in Bombay, was relatively steady during the year. The highest and lowest price was as follows:

	Highest.	Lowest.	Difference per cent.
Bombay	R 99 $\frac{1}{2}$	R 91 $\frac{1}{2}$	8
London	31 $\frac{1}{2}$ d.	29 $\frac{1}{2}$ d.	5.5

In neither case did the variation approximate to the variation in exchange.

Gold was imported during the year on a scale unknown since the year 1890-91, the trade being in marked contrast with that of the three preceding years, and especially of 1894-95, during which much more gold was exported than was imported. The net imports of silver during the year were only just above the level of 1894-95, the trade being in each of these two years less than half of the dimensions of the preceding four years.

The aggregate of the export trade of the year presents but a small increase over that of 1894-95 in consequence of the outflow of gold being very much smaller than in that year. The re-exports of imported merchandise did not reach the high level of 1894-95; but the exportation of Indian merchandise was conducted on a large and active scale, the increase over the preceding year being 5.6 per cent.

Exports.

There was a decline in jute, opium, oilseeds, and wool; but in all other articles of the first importance the trade was much in excess of that of 1894-95, in some cases remarkably in excess. The export of cotton, for instance, was about the largest on record, the result of an abundant harvest and a good demand, especially from Japan.

In cotton yarn and goods also the recovery of trade which had marked the year 1894-95 continued in an increasing degree in 1895-96, and the trade was the largest recorded and greatly in excess of that of the preceding year. Indigo did specially and quite unusually well, a large supply resulting from an excellent crop being coincident with an active demand and a high level of prices. Rice was exported in much larger quantity, though, owing to a fall of prices, the aggregate value was slightly smaller. There was also a large recovery in the export of wheat, which had shrunk in 1894-95 to very restricted dimensions, and unfortunately it seems as if the trade of the present year will not reach the level of 1894-95, low as that was. The export of manufactured jute was large, though the raw material was shipped on a slightly smaller scale than in 1894-95, and there was a noticeable increase in the trade in hides and skins. The year was also good for both tea and coffee, though the range of prices of tea was lower than in 1894-95.

The aggregate trade of the year—imports and exports together—is stated below, with the trade of the four preceding years:

<i>Excluding Government transactions.</i>		<i>Including Government transactions.</i>	
1891-92	Rx. 192,489,315	1891-92	Rx. 195,615,322
1892-93	„ 193,079,831	1892-93	„ 196,829,486
1893-94	„ 202,854,540	1893-94	„ 206,086,249
1894-95	„ 196,699,461	1894-95	„ 200,250,050
1895-96	„ 201,170,821	1895-96	„ 204,899,288

In 1893-94, in consequence of the suspension of the sale of Council bills for some months, the exports exceeded the imports by only about 18 millions of Rx.; in 1894-95 the exports exceeded the imports by the very large sum of

37 $\frac{1}{4}$ millions of Rx. ; and last year the excess of exports, though not as great as in the preceding year, reached the large sum of 35 $\frac{4}{5}$ millions of Rx.

The volume of trade was larger than in 1894-95 or any other year but one ; but, in consequence of the restriction in the flow of silver into India since the closure of the mints in 1893, the trade of that year (1893-94) presents a value which is fractionally in excess of that of last year.

Trade with countries.

The distribution of our trade with the different countries of the world presents some features of interest. Much the largest proportion of our trade—about two-thirds last year—continues to be with European countries, but the share of that trade taken by the United Kingdom was not as large as that of 1894-95, in consequence of the decline in cotton goods from the high level of that year. Trade with Germany, Austria-Hungary, and Belgium again made rapid strides in the year, following on the quick development which has been the subject of remark in former issues of this annual review. The progress of our trade with Japan also arrests attention, its development having been even more marked and rapid than that of the trade with the countries just mentioned. In the case of Germany, Austria-Hungary, and Belgium, direct exports from India have followed upon a great opening up of the Indian market to their goods. In the case of Japan a demand upon India for the raw material required for the cotton manufacturing industry which is being vigorously carried on in Japan has led to the direct importation of Japanese products and manufactures in greatly increasing quantities. Our exportation of cotton to Japan has indeed merely taken the place of cotton yarn which the Japanese now spin for themselves, but the substituted trade is enormously larger than the other ever was. The trade with China has completely recovered from the shock which it received in 1893 when the closure of the mints immediately followed on the stagnation resulting from an overdone market ; but this trade is so largely dependent upon opium that its course is subject to great fluctuations. Last year opium prices ranged high, and this, with a very active trade in cotton yarns from Bombay, brought the aggregate value of the trade to a much higher figure than in 1893-94. Our trade with Asiatic Russia is assuming quite respectable proportions in consequence of the development of the petroleum trade. This trade is also 85 per cent of our import trade from the United States, and the tendency seems to be for this trade to decline while the trade in Russian petroleum increases.

Frontier trade.

The value of the trade carried across the frontiers in each of the last three years has been :

	Rx.
1893-94 .	8,049,572
1894-95 .	9,176,462
1895-96 .	9,179,888

This fractional increase would have been much larger but for a decline in the trade with Bajaur (on the Panjab border) and a much heavier decline in the trade with Western China. The course of this latter trade has disappointed all the anticipations of improvement which should have followed the introduction into Upper Burma of law and order, perfect security, the fullest commercial liberty, and great improvement in transport and communications. But in this case the reverse of the proverb is true, and *ce n'est que le dernier pas qui coûte*. Beyond the British border is an alpine wilderness, inhabited by marauding savages, and beyond them again the Chinese official comes upon the scene.

The trade with Afghanistan, though larger than in the preceding year, continues at a very low level, unable to make head against the Amir's restrictive policy which, in combination with Russian restrictions, is extinguishing the transit trade and has reduced the internal trade.

With the increase of trade there was an increase in shipping, at least in the number and tonnage of steamers, which now carry far the largest part of our foreign trade. The steamers which entered and left Indian ports in the last two years were :

Shipping.

		<i>Entered.</i>		<i>Cleared.</i>	
		No.	Tons.	No.	Tons.
1894-95	.	2,200	3,445,091	2,172	3,367,398
1895-96	.	2,206	3,505,321	2,190	3,474,929

Sailing vessels are a yearly diminishing factor in the carriage of the Indian oversea trade. Their number is still large, but their tonnage is trifling compared with steamer tonnage. Last year, following precedent, the numbers declined :

		<i>Entered.</i>		<i>Cleared.</i>	
		No.	Tons.	No.	Tons.
1894-95	.	3,109	711,295	3,096	732,038
1895-96	.	3,020	622,718	2,881	623,632

British shipping retains its preponderance amongst the vessels which enter Indian ports, 86 per cent of the steam tonnage which entered our ports last year having been British. Amongst foreign steamers the Germans muster strongly, the Austrian, French, and Italian flags coming next. The increase in Japanese steamers entering Indian ports is also noticeable.

In the tonnage of sailing vessels also, British and British Indian vessels greatly outnumber all foreign sailing vessels ; they formed last year 77 per cent of the whole.

There was a large increase under this head, the imports and exports of merchandise in the last two years comparing as follows :

Coasting trade.

		<i>Imports.</i>	<i>Exports.</i>
		Rx.	Rx.
1894-95	.	33,572,102	32,568,367
1895-96	.	37,448,152	34,079,544

Section I.—Sea-borne Foreign Trade.

CHAPTER I.

Imports of Merchandise.

The values of imported merchandise since 1869-70 stand thus :

	Exchange. d.	Rx.
<i>Annual average</i> , 1869-70 to 1873-74 .	22'77	31,837,600
„ 1874-75 to 1878-79 .	20'981	36,603,400
„ 1879-80 to 1883-84 .	19'774	47,950,000
„ 1884-85 to 1888-89 .	17'656	58,515,400
„ 1889-90 to 1893-94 .	16'183	67,748,900
1894-95 .	13'1	70,167,438
1895-96 .	13'638	69,316,395

It was observed in the review of the trade of 1894-95 that the Indian import trade had been disorganised by a succession of events which gave rise to speculation. First, the maintenance of rates of exchange at a high level, after the closure of the mints in 1893, by the suspension of drawings by the Secretary of State led to excessive speculative imports in 1893-94. Then came the imposition of import duties in March 1894 with the natural consequence that importers preferred to wait and reduce their stocks (on which they obtained an additional profit equal to the rate of duty) before ordering new supplies. Imports therefore declined in 1894-95, but they did not fall as much as they would have done if the import duty had applied to cotton goods. These articles were exempt from duty under the tariff as first imposed, but a clamour was raised for the insertion of these goods in the tariff, and it soon became evident that the agitation, with the object of which the Government of India was believed to sympathise, could not be resisted. At once great activity was exhibited in the importation of cotton yarns and goods in order to anticipate the threatened duty. For two years in succession, therefore, an extraordinary and speculative stimulus was given to the trade in cotton yarns and goods, which form a very considerable proportion of the import trade, and the imports were far in excess of the requirements of the market. A reaction took place last year and the imports fell to a low level, lower probably than would have been the case but for the agitation which arose in England for the repeal or readjustment of the duty on cotton goods. This agitation, while it lasted, induced importers—who already held excessive stocks—to withhold further importations, since contracts for sale could hardly be made while the question of the duty remained unsettled. Some months passed, and the question having been finally settled by the repeal of the duty on yarns and the reduction of the rate of duty on other cotton goods from 5 to $3\frac{1}{2}$ per cent, and the offtake from stocks having meanwhile reduced these sensibly, trade resumed its normal course in the last quarter of the year. The trade in other classes of goods was satisfactory during the year; but on the whole, and mainly as the consequence of fiscal unsettlement, there was a small decline of about $1\frac{1}{5}$ per cent in the aggregate value of the import trade. The trade was also smaller than in 1893-94 and only fractionally in excess of 1890-91, both of them years of temporary and abnormal conditions of exchange inducing great speculation, but it was much larger than in any other year. It may be observed that the progress of the trade was assisted by the relative freedom from violent fluctuations in exchange.

Taking the prices of March 1873 as = 100, the following table shews the variations in the prices of staple imports since then at Calcutta :

		Grey shirtings, 8 @ 9 lbs.	Mule twist, grey yarn, Banner mills, No. 40.	Mule twist, Turkey red, No. 40.	Copper, sheathing.	Iron, flat, bolt, &c.	Total.
March	1873	100	100	100	100	100	500
June	1874	97	92	106	95	108	498
March	1875	86	92	102	103	93	476
"	1876	86	90	92	99	79	446
January	1877	78	90	85	92	67	412
"	1878	73	78	87	86	60	384
"	1879	76	75	78	80	56	365
"	1880	81	84	75	83	73	396
"	1881	82	82	69	81	56	370
"	1882	78	84	69	89	71	391
"	1883	82	74	54	80	60	350
"	1884	75	74	62	77	62	350
"	1885	76	72	58	64	54	324
"	1886	84	67	57	57	50	315
"	1887	81	62	57	65	53	318
"	1888	79	75	59	90	61	364
"	1889	81	75	57	98	65	376
"	1890	76	74	57	69	79	355
"	1891	74	70	56	71	62	333
"	1892	74	64	57	72	64	331
"	1893	77	74	61	80	97	389
"	1894	70	69	62	83	94	378
"	1895	71	70	62	90	106	399
"	1896	69	77	62	85	111	404
July	1896	74	70	62	85	103	394

The following are the largest articles in the import trade. Against each is set the ratio of increase or decrease in value in the last three years :

	1893-94.	1894-95.	1895-96.
Apparel	+ 14	- 9	+ 11'1
Coal	- 14'8	+ 51'5	- 4'8
Cotton manufactures	+ 26'3	+ 9	- 21'2
Drugs, medicines, and narcotics	+ 16'4	- 4'5	+ 14'8
Dyeing and tanning materials	+ 9'9	+ 1'2	+ 19'7
Glass and glassware	+ 17'5	- 21'4	+ 19'5
Liquors	+ 0'7	...	+ 16'3
Machinery and millwork	+ 6'7	- 3	+ 32'5
Metals	+ 14'8	- 16'3	+ 29'1
Oils	+ 22'3	- 37'8	+ 41'2
Provisions	- 4'2	- 11'6	+ 14'2
Railway materials	+ 20'1	+ 25'3	- 2'3
Salt	+ 37'2	+ 6'5	- 22'4
Silk, raw and manufactured	+ 13'1	- 27'4	+ 26'9
Spices	+ 40'1	- 11	- 15'2
Sugar	+ 7'5	+ 1'8	+ 8'
Woollen goods	+ 24'2	- 18'5	- 6'2

In 1893-94 in two heads only—coal and provisions—was there a decrease ; in all the other cases—with the single exception of liquors—the increase was substantial, and in most cases abnormally large.

In 1894-95 in six heads only was there an increase, and in one of these—cotton manufactures—the increase was only fractional; it was also very small in the case of dyeing and tanning materials and sugar. The decreases were in all cases substantial, and in some abnormally large.

In 1895-96 there was a decline in only six heads. In the case of coal the decline followed an abnormal increase in the preceding year, and in the case of cotton goods it followed a very high level of imports in two consecutive years. In the other articles the decline had no special significance. The increases are all notably large. The year was, in short, almost the exact converse of that which preceded it.

For each of the classes under which the items are grouped in the trade returns, the values of the trade in the last three years are stated below in Rx. :

	1893-94.	1894-95.	1895-96.
1. <i>Animals, living (mostly horses)</i>	305,954	269,044	308,585
2. <i>Articles of food and drink</i>	8,657,752	8,386,580	8,722,870
3. <i>Metals and manufactures of metals, including hardware and cutlery, machinery and mill-work, and railway plant and rolling-stock</i>	11,341,297	10,345,062	12,953,991
4. <i>Chemicals, drugs, medicines, and narcotics, and dyeing and tanning materials</i>	1,837,570	1,866,294	2,160,649
5. <i>Oils</i>	3,570,188	2,221,222	3,137,420
6. <i>Raw materials and unmanufactured articles</i>	3,890,164	4,420,947	4,851,627
7. <i>Articles manufactured and partly manufactured</i>	44,354,932	42,658,289	37,181,253

The last of these is the only class in which there was a decline in the year, but it is the most important class of our imports. The decline in this class was due to the contraction in the trade in cotton manufactures and, in a much smaller degree, to a restriction in the imports of woollen goods.

Turning now to the details of the more important items in each of the classes mentioned, they may be mentioned in order.

ANIMALS, LIVING.

This trade, which consists mainly of the importation of horses from Australia and the Persian Gulf, is increasing with the increasing demand for the State for army remounts, and the value has further increased since the Government agreed to increase the price. It is a small trade, however, and is unlikely ever to become materially larger. It may be noted in passing that the average declared value of horses imported from Turkey in Asia is Rs. 357 and the average declared value of horses imported from Australia is Rs. 339, but these values are of doubtful accuracy. The former are mainly imported into Bombay and the latter into Calcutta.

ARTICLES OF FOOD AND DRINK.

Liquors.—The importations of *malt liquor* in 1894-95 were relatively small, but the restriction was only temporary, and last year the quantity again rose to the level of recent years. The brewing of Indian beer was also active last year, following on a large production in 1894-95. The quantities imported and brewed in India are shewn below :

	<i>Imported.</i> Gallons.		<i>Locally brewed.</i> Gallons.
1891-92	2,973,943	1891	4,745,803
1892-93	3,052,849	1892	4,831,127
1893-94	2,787,672	1893	5,532,725
1894-95	2,514,041	1894	6,121,905
1895-96	3,048,743	1895	6,238,877

About half of the quantity of Indian beer brewed in 1895 was taken by the Commissariat Department for the British troops, and of the other half a material proportion was also drunk by the soldiers. In the early days of Indian brewing it was supposed that beer could not be brewed on the plains of India; operations were therefore confined to stations on the Himálayas and Nilgiris, and the cost of transit from such places to the places of consumption was long an impediment to the extension of the industry. It was found, however, that good beer could be brewed as well on the plains as on the hills in the cold season, and last year about one-third of the whole quantity made was produced on the plains. Indian beer is now on sale in the city of Bombay in competition with imported beer.

The importations of *spirit* shew a continued, though moderate, increase in the last five years, and last year's level was a little higher than that of eight years previously :

	Gallons.		Gallons.
1886-87 .	1,064,386	1891-92 .	1,010,247
1887-88 .	1,084,487	1892-93 .	1,057,347
1888-89 .	1,119,367	1893-94 .	1,067,373
1889-90 .	1,100,414	1894-95 .	1,093,115
1890-91 .	1,055,984	1895-96 .	1,186,696

Of the total imports whisky represented nearly half (511,094 gallons) and brandy rather more than half the quantity of whisky (273,185 gallons). Brandy continues to be received from Germany, Holland, and Belgium, these countries having sent 57,260 gallons last year, and the trade is increasing. The United Kingdom, on the other hand, appears to be losing the agency trade in the shipment of brandy to India, for importations thence have been steadily declining. Whisky made in Germany is, however, imported in decreasing quantities, though as much as 6,268 gallons were received thence in the year.

It should be noted that a proportion of the spirit imported does not represent potable spirit, namely,—

	Quantity. Gallons.	Value. Rx.
Spirit in drugs and medicines	43,889	88,892
Spirit in perfumery	11,444	46,236

Wines.—There was some revival in this trade, which was larger than it has been for years.

The whole importations of liquors in the year represented a value of—

	Rx.
Malt liquor	477,595
Spirit	824,203
Wine	391,859
Other sorts	2,171
TOTAL	1,695,828

which was more by 16·3 per cent than the value in 1894-95.

Provisions.—The imports of the principal among the enumerated items have been in the last three years :

	1893-94.	1894-95.	1895-96.
Fish, dry, salted . . lbs.	18,500,123	17,686,521	16,984,773
„ wet „ . . „	4,516,387	4,903,271	9,971,563
Bacon and hams . . „	954,854	969,927	949,013
Cheese . . . „	826,943	906,968	863,371
Butter . . . „	289,348	301,997	211,516
Flour . . . „	1,396,291	1,249,692	1,282,420
Fishmaws and sharkfins „	1,297,589	1,290,519	1,643,728
Dates cwt.	823,171	752,984	817,535
Other dried fruit . „	130,989	108,910	105,211
Ghi lbs.	604,162	233,956	2,539,936

The value of the enumerated kinds of provisions, which are mentioned above with two or three trifling exceptions, was :

	Rx.
1892-93 . . .	1,145,505
1893-94 . . .	1,105,404
1894-95 . . .	920,178
1895-96 . . .	1,068,258

There is besides a large quantity of unenumerated goods which it is practically impossible to specify. These are mainly canned fish and meats, preserves, jams and jellies, biscuits, condiments, and generally “tinned stores,” as they are called. The value of these goods is :

	Rx.
1892-93 . . .	716,550
1893-94 . . .	677,464
1894-95 . . .	655,765
1895-96 . . .	728,987

None of these fluctuations call for special notice, except that *ngapi* (wet salted fish) continues to be imported from the Straits into Burma on a large scale, and that the trade in *ghi*, which is imported from the regions in the neighbourhood of the Persian Gulf into Bombay and Karáchi, recovered from the marked depression of the previous two years due to unfavourable seasons in the producing tracts.

The trade with Australia has not increased, notwithstanding the special exertions made to develop a trade in colonial provisions.

Salt.—Imports in tons :

1891-92 . . .	373,953
1892-93 . . .	360,042
1893-94 . . .	412,876
1894-95 . . .	508,375
1895-96 . . .	407,271

It was mentioned in reviewing the trade of 1894-95 that the importations of salt were in excess of the demand for consumption, and that at the end of the year large stocks remained on hand. It was to be expected, therefore, that importations in the following year would be more limited, but the fall has been heavier than could have been anticipated and greater than can easily be explained in view of the fact that prices, which fell heavily in 1894-95, fell still further last year ; they fell indeed to a level which has not been known for many years.

The sources of supply in the last two years have been :

		1894-95.	1895-96.
United Kingdom	. tons	314,753	262,528
Germany	. . . „	82,156	62,208
Aden	. . . „	44,456	26,105
Arabia	. . . „	19,418	11,068
Egypt	. . . „	33,163	31,208
Persia	. . . „	14,272	14,146

It will be observed from these figures that the decline was distributed through all the countries whence salt is received in India.

Spices.—This is a very fluctuating trade, the import values in the last five years having ranged from a minimum of Rx. 623,633 to a maximum of Rx. 873,655 :

	Rx.
1891-92	797,196
1892-93	623,633
1893-94	873,655
1894-95	777,106
1895-96	659,329

In 1894-95 there was an unusually large importation of areca nuts, which represent about half the total value of the trade, following on a large importation in the year before ; but there was also a considerable decline in cloves and pepper, which represent the largest part of the other half of the trade. Last year the trade in areca nuts declined after two years of heavy imports, but there was some recovery in cloves. As some excitement seems to have been caused by a pest in Lower Bengal which is said to have caused much destruction among the areca nut palms, it is possible that the importations of the nut in the present year may again be considerable.

Sugar.—The quantity and value of the imports have been as follow in the last five years :

	Cwt.	Rx.
1891-92	2,213,125	2,561,996
1892-93	1,959,818	2,625,683
1893-94	2,127,905	2,824,190
1894-95	2,490,611	2,875,297
1895-96	2,730,963	3,106,813

Of this quantity the largest proportion, amounting to 57 per cent, was received from Mauritius. The imports of the last two years from that colony have been larger than in any preceding year, and it is evident that there was no ground for the apprehensions—natural enough, since India takes about two-thirds of the sugar exported from Mauritius—expressed by the authorities of the colony that the Indian tariff would injure the trade. There is in fact no effective competition between Indian and Mauritius sugar, for the reasons explained in the review of the trade of 1894-95. But there is competition between the sugar of that colony and other sugar imported into India, especially beet-sugar from Germany and cane-sugar from China, Java, and the Straits. German sugar was put on the Indian market in large quantity last year. The trade was actively pushed in 1890-91, when there was an importation of 709,000 cwt., but in the four following years the imports never exceeded 275,000 cwt., and except in one year were much below that level. Last year, however, the trade received a temporary stimulus : the beet crop was very good over an area

expanded under the influence of bounties, and outlets had to be found for the large production at very low prices: consequently 718,000 cwt. were imported into India. This trade appears to be subject to speculative influences causing violent fluctuation and uncertainty, like all trades which are stimulated by State bounties. For a time Mauritius sugar was unable last year to hold its own against German sugar, and this fact accounts for the smaller importation. In the present year the imports of German sugar are, so far, on a trifling scale while the trade in Mauritius sugar has again increased.

The main sources of the supply of sugar to the Indian market are these:

	1890-91.	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.
	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.
Mauritius . . .	1,494,945	1,471,916	1,078,558	1,361,649	1,753,003	1,571,993
Germany . . .	709,195	242,705	255,788	139,301	274,632	718,218
China . . .	195,912	177,416	349,096	351,294	220,511	206,049
United Kingdom .	281,202	30,233	21,742	6,160	5,352	7,776
Straits . . .	118,944	123,761	129,606	86,873	81,497	108,045
Java . . .	60,098	127,771	80,379	99,976	140,030	109,998
Austria-Hungary .	31,374	22,505	27,698	11,549	7,093	4,934
Ceylon . . .	1,935	1,082	4,921	17,161	7,393	822

It is perhaps permissible to remark once more that there must be something calling for reform in the conditions of transport which preclude effective competition in Western and Central India between sugar grown in Northern India and sugar imported from Mauritius, where it is grown by labour imported from India.

Tea.—The sources of supply are China, Ceylon, the Straits, and Java, from which countries the imports in the last five years have been:

	China.	Ceylon.	Straits.	Java.	Total.
1891-92 . . . lbs.	4,680,232	849,737	589,953	216,261	6,353,017
1892-93 . . . "	4,795,473	633,596	464,518	107,100	6,022,883
1893-94 . . . "	6,016,244	980,507	360,770	308,333	7,687,757
1894-95 . . . "	4,630,327	901,971	413,417	362,366	6,326,122
1895-96 . . . "	5,890,052	997,925	399,792	187,438	7,497,703

Most of the sugar we import is consumed in India, but that is not the case with the tea we import. The bulk of that is re-exported from Bombay to Persia or sent by land to Afghanistan. Ceylon tea is an exception: of that tea we now receive about a million pounds annually and it is all consumed in India, the conditions of trade and transport being such that, even though aided by an import duty of 5 per cent, Indian tea, whether grown in Northern, Eastern, or Southern India, is unable to compete in Western India with tea grown in Ceylon by labour imported from India.

METALS AND MANUFACTURES OF METAL.

Hardware and Cutlery.—The value of the imports last year was greatly in excess of that of 1894-95:

	Rx.
1891-92 . . .	1,238,994
1892-93 . . .	1,217,754
1893-94 . . .	1,301,690
1894-95 . . .	1,283,897
1895-96 . . .	1,422,533

The value of the imports from the United Kingdom was about 78 per cent of the whole, which is a smaller proportion than hitherto, and it is tolerably clear, both from statistics and from common observation of the markets, that cheap goods made in Germany, Austria-Hungary, and Belgium are gradually ousting English goods.

Copper.—The trade was much larger than in 1894-95 when the imports were relatively small, the markets having been filled by exceptionally large imports in 1893-94. It will be seen from the figures below that the supplies from Belgium have increased very noticeably. Australian copper is now, it is said, only imported for coinage, not for ordinary uses:

	1891-92. Cwt.	1892-93. Cwt.	1893-94. Cwt.	1894-95. Cwt.	1895-96. Cwt.
United Kingdom . . .	387,566	351,466	433,082	290,133	355,580
Belgium	8,880	9,373	20,510	4,707	54,149
China and Japan . . .	83,972	35,857	114,995	51,223	48,480
Ceylon	2,864	10,841	2,159	696	493
Australia	20,415	5,940	12,304	1,000	7,093
Total from all countries .	511,088	420,762	591,109	354,107	471,824

Iron and Steel.—The imports for the last ten years are given below:

<i>Iron.</i>		<i>Steel.</i>	
	Cwt.		Cwt.
1886-87	3,280,389	1886-87	349,317
1887-88	4,321,587	1887-88	420,927
1888-89	4,002,793	1888-89	542,388
1889-90	3,608,405	1889-90	468,396
1890-91	3,876,556	1890-91	705,465
1891-92	3,680,489	1891-92	773,036
1892-93	3,596,239	1892-93	621,556
1893-94	3,709,617	1893-94	1,039,819
1894-95	3,250,403	1894-95	905,333
1895-96	4,000,246	1895-96	1,702,253

Although the importations of iron have advanced materially from the very low level of 1894-95, they still remain at a point which is no higher than it was eight or ten years ago, and an examination of the figures makes it clear that the trade is non-progressive. The reasons for this absence of growth were suggested in the review of the trade of 1894-95, and need not be repeated here.

The contrast between the trade in iron and steel is particularly striking, for whereas the imports of iron have not increased in the last decade the imports of steel have increased fivefold. The increase in the year was excessively large, and it might be supposed that it would be followed by a reaction, but during the first quarter of the present year the imports have still further increased.

The directions in which the competition between the two metals operates will be seen from the figures below, which represent the quantities of the principal descriptions of iron and steel imported last year. Much more steel than iron hooping is now imported, steel bars exceed iron bars in quantity, and steel sheets and plates are an increasing factor:

<i>Iron.</i>		<i>Steel.</i>	
	1895-96. Cwt.		1895-96. Cwt.
Bars	593,426	Bars	598,943
Galvanised	726,430	Sheets and plates	321,511
Sheets and plates (including tinned plates)	561,887	Hoop	223,536
Pipes and tubes	383,771	Cast	8,516
Angle, bolt, and rod	757,795		
Beams, pillars, girders, and bridge-work	244,774		
Pig	201,057		
Nails, screws, and rivets	211,355		
Hoop	92,394		

There has been a very noticeable development in the imports of tinned plates. These increased from about 79,000 cwt. in 1894-95 to about 155,000 cwt. last year, and the trade continues to exhibit an increase in the present year. These increasing imports are the result of the local manufacture of cans for petroleum which is now being carried on extensively. The industry began in Rangoon in connection with the petroleum refinery there, and it has been established at Calcutta, Bombay, and Madras in connection with the importation of petroleum in bulk in tank-steamers. The petroleum is pumped from the steamers into suitable reservoirs and from these is filled for distribution into cans locally made.

The figures in the subjoined table illustrate the extent of the competition of Belgium and Germany with England in the supply of both iron and steel to the Indian market :

Year.	FROM UNITED KINGDOM.		FROM BELGIUM.		FROM GERMANY.		FROM OTHER COUNTRIES.	
	Iron.	Steel.	Iron.	Steel.	Iron.	Steel.	Iron.	Steel.
1883-84 . .	3,473,619	240,149	86,657	10,981	9,411	1,609	13,975	687
1884-85 . .	3,423,559	263,433	165,488	24,287	5,209	1,400	8,020	808
1885-86 . .	3,322,511	255,871	152,069	20,629	4,146	1,850	14,493	438
1886-87 . .	3,101,856	327,744	162,043	19,240	3,922	2,154	11,568	179
1887-88 . .	4,077,292	372,824	188,584	42,913	8,148	3,283	47,563	1,007
1888-89 . .	3,715,081	456,550	262,436	77,076	11,928	7,063	13,348	799
1889-90 . .	2,983,080	385,916	606,544	66,375	5,425	16,099	13,356	6
1890-91 . .	3,306,381	462,671	536,076	164,874	13,134	76,235	20,965	1,685
1891-92 . .	2,859,753	347,816	776,328	301,573	28,559	123,086	15,849	561
1892-93 . .	2,382,578	270,751	1,153,411	283,817	34,727	66,712	25,523	276
1893-94 . .	2,320,839	420,158	1,223,332	518,395	102,334	100,188	63,112	1,078
1894-95 . .	1,956,721	369,753	1,176,179	448,091	75,264	84,083	42,239	3,406
1895-96 . .	2,479,453	710,581	1,377,754	936,498	50,491	52,753	92,548	2,421

The iron industry in England was very active in 1895 and exports increased generally. As with other countries, the Indian imports of steel from England were nearly doubled in the year, but the imports from Belgium kept pace with that large increase, and English steel (or steel imported from England) represents only 42 per cent of the whole imports. A delegation organised by the British Iron Trade Association, which recently visited the Continent for the purpose of ascertaining the causes which enable Belgium and Germany to oust British steel in foreign markets and even in the home market, have reported that the success of the foreigners is not so much due, as was commonly supposed, to longer hours and lower wages of labour, as to better equipment and to skill in the application of science and economy to methods of work, and also to advantages of cheap transport over railways. It has been stated too that British shipping companies offer better rates of freight from Antwerp to Calcutta than from Middlesbrough to Calcutta. The factors in the competition, however, are for the English ironmasters to consider: we can only present the results of the competition as stated in the foregoing figures.

Copper, iron, and steel represent 95 per cent of the quantity of all imported metals, iron and steel being about 88 per cent of the whole. The imports of the other metals have been as follow :

	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.
	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.
Brass . .	11,011	12,488	12,087	8,764	10,718
Lead . .	122,568	113,076	121,967	112,550	121,686
Quicksilver . .	2,506	3,206	2,825	1,077	3,163
Tin . .	38,830	37,603	45,906	48,425	50,329
Zinc . .	118,851	115,782	131,531	84,736	89,861
Others . .	5,713	5,164	6,287	4,592	9,488

If the import duty affected these metals in 1894-95 and operated in reduction of the trade, it is clear that the effect was merely temporary and such as might be expected in the case of the imposition of any duty falling at a light incidence and not protective in its effects. In such a case the holder of stocks waits until he has obtained all the additional profit from them which is given by the imposition of a duty before laying in further stocks, and, that period passed, trade proceeds without any appreciable hindrance from the duty.

Machinery and Millwork. } —The imports have been :
Railway Material. }

	Machinery. Rs.	Railway material. Rs.
1891-92 .	2,111,596	1,484,173
1892-93 .	2,359,103	1,032,939
1893-94 .	2,518,038	1,242,977
1894-95 .	2,442,433	1,556,967
1895-96 .	3,237,401	1,520,584

The importations of machinery and millwork are notably large, the increase being the result in a very large degree of additions made to the looms in the Bengal jute mills in the year, and the extension of the use of machinery in the manufacture of tea,—almost every operation now, even to the filling of the chests, being done by machinery, the plucking of the leaf indeed being about the only thing still done by hand. In other directions also the extension of the mill industry requires constant accessions of machinery, and with the requirements of inland steam navigation and the number of engineering workshops everywhere; as also the operations of municipalities and port trusts, it seems clear that the demand for machinery must continue to expand as the years go by. As yet the supply is obtained almost exclusively from England, the supply from Germany being not one per cent of the imports from England. The industrial development of the different parts of India may be not inaccurately measured by the figures which shew the distribution of the imported machinery. They are as follow :

	Rs.
Bengal . .	1,419,838
Bombay . .	1,168,295
Sind . .	94,505
Madras . .	450,339
Burma . .	104,424

It should be remembered that the machinery imported into Calcutta comprises all that is required for the tea gardens of Assam, Cachar, and Sylhet, and the mills and factories of Upper India.

The importation of railway material continued on the high level of 1894-95, and the importations on account of the State (not included in the foregoing figures and shewn below) were unusually large, the result of the more active policy of railway construction which has been adopted by the State :

	Rs.
1891-92 .	1,021,298
1892-93 .	1,289,050
1893-94 .	1,091,586
1894-95 .	1,246,216
1895-96 .	2,019,534

CHEMICALS, DRUGS, MEDICINES, NARCOTICS, DYEING AND
TANNING MATERIAL.

	Chemicals.	Drugs, Medicines, and Narcotics.
	Rx.	Rx.
1891-92 .	286,678	650,425
1892-93 .	307,746	662,815
1893-94 .	357,152	771,525
1894-95 .	412,326	736,785
1895-96 .	455,546	846,210

In both heads there was a large increase in the year, and the figures of the five years indicate a great expansion. Under the head of Drugs the most prominent place among the specified articles is taken by tobacco in its different forms, which represent a value of Rx. 284,512 in the year. These have increased in five years by about 70 per cent, due to a remarkable expansion of the imports of cigars and cigarettes.

In the imports of Camphor there has been a further great restriction, following the restriction noticed last year, and doubtless to some extent due to the cause then mentioned, namely, the disturbances following on the annexation of Formosa by the Japanese. Prices ranged very high and, it is said, are likely to remain high, owing to the increasing demand for the article for the manufacture of celluloid. It is stated that the conditions in Southern India are suitable to the growth of camphor, and attention is now being given to the question.

Dyeing and tanning materials.—The value of the imports consisted last year, to the extent of 82 per cent, of aniline and alizarine dyes. The trade in these mineral dyes has increased very rapidly in recent years and has assumed material importance :

	lbs.	Rx.
1891-92 .	5,592,155	458,191
1892-93 .	5,923,865	501,921
1893-94 .	6,288,265	533,104
1894-95 .	5,978,723	552,344
1895-96 .	7,765,373	703,900

They are mainly alizarine, of which 5,072,101 lbs. were imported, little more than half that quantity (2,693,272 lbs.) being aniline. The dyes are mostly of Continental origin, as will be seen from the principal sources of supply noted below; indeed it is not certain that even the small proportion received from the United Kingdom is not of Continental origin :

	1893-94. lbs.	1894-95. lbs.	1895-96. lbs.
United Kingdom .	407,660	374,095	487,588
Belgium . . .	4,162,372	3,936,218	4,581,441
Austria-Hungary .	903,810	542,365	616,827
Germany . . .	402,103	448,748	584,070
Holland . . .	205,915	485,641	1,151,225
Italy . . .	181,327	174,914	336,493

The total value of all the dyeing and tanning materials imported was Rx. 858,893, alizarine and aniline dyes being represented in that sum by

Rx. 703,900, being about 82 per cent of the whole. The imports of other dyestuffs and tans stand thus :

	1894-95. Rx.	1895-96. Rx.
Cochineal .	26,351	31,580
Gambier .	36,585	45,343
Indigo .	42,730	10,024
Saffron .	37,257	54,187
Other sorts .	21,914	13,858

OILS.

Mineral oil.—Imports have been :

	Gallons. (000's omitted.)	Rx.
1891-92 .	58,109	2,368,140
1892-93 .	67,086	2,690,264
1893-94 .	86,609	3,275,585
1894-95 .	53,441	2,122,999
1895-96 .	66,648	2,967,400

The speculative imports of 1893-94 from the United States overstocked the markets and lowered prices. These imports were followed by a heavy decline in the trade, and prices towards the end of 1894-95 began to rise quickly. This brought about another increase in imports, and the trade of last year was large.

In the competition between Russia and the United States for the supply of kerosene oil to India, Russia has so far had the advantage, Russian oil being cheaper than American, though inferior in quality. The imports of Russian oil last year were 40·5 million gallons, while of American oil only 23·2 million gallons were imported; and if the total imports of the last five years are taken, it appears that Russian oil represents 167·6 million gallons, while American oil represents 150·5 million gallons. During the first quarter of the present year the importation of Russian oil has declined in consequence of an interruption of traffic on the railway between Baku and Batum, but the decline is apparently only temporary.

In Burma the indigenous oil, refined at Rangoon, is said to be gaining upon the imported oil and the demand for the latter is declining. A trade in the export of the indigenous oil to the Straits has also been established.

The importation of kerosene oil in bulk in tank vessels has further, though not largely, increased. The quantity so imported in 1894-95 was about 7 million gallons, and in 1895-96 it amounted to 9·8 million gallons, all of it being Russian oil. American oil continues to be imported only in cans. Since the close of the official year the arrangements made at Bombay for the storage and distribution of bulk oil have been brought into operation, and in the present year there should be a great development of that trade.

Mineral oil, mainly kerosene, represented last year Rx. 2,967,400 out of Rx. 3,137,420, which was the total value of all kinds of oil imported. The difference between the two is represented by—taking them in order of value—cocoanut oil, linseed oil, animal oil, essential oil, none of them of any importance at present. Cocoanut oil, though the trade has declined very greatly in the last two years, in consequence apparently of the imposition of the import

duty of 5 per cent in 1894, is still the largest of all. The decline in the trade of this oil will be seen from the figures subjoined :

	Gallons.	Rx.
1891-92 .	1,458,909	188,687
1892-93 .	1,274,983	163,942
1893-94 .	1,589,525	224,910
1894-95 .	236,621	28,705
1895-96 .	588,597	85,616

This oil is imported principally from Ceylon and to a smaller extent from Mauritius. The facilities for its production on the coasts of India, especially in the south, are quite as great as they are in Ceylon, and it is not surprising that the import trade has been unable to thrive under the imposition of a duty.

RAW MATERIALS AND UNMANUFACTURED ARTICLES.

Coal.—The imports of coal, coke, and patent fuel have been :

	Tons.
1891-92 .	736,971
1892-93 .	648,185
1893-94 .	555,280
1894-95 .	823,584
1895-96 .	761,996

This trade, as has often been observed, is subject to great fluctuations, being affected by the conditions of the freight market.

As with sugar and other articles, the import trade, which is conducted mainly at Bombay and Karáchi, survives only because the conditions of transport in India by sea and by land are still such that it is more advantageous to import from Europe, Australia, and Japan, than to bring Indian coal round from the mines in Bengal to the mills and steamers in Bombay or even to Madras.

The distribution of imports is as follows (in tons) :

	1894-95.	1895-96.
Bombay and Sind .	696,063	607,723
Burma	35,719	32,404
Madras	82,664	112,589
Bengal	9,138	9,280

The production of coal in India in 1895 amounted to 4,371,734 tons, being in the ratio of about $5\frac{3}{4}$ tons locally produced to 1 ton imported.

Cotton.—The imports have been as follow :

	Asiatic. Cwt.	Non-Asiatic. Cwt.
1890-91 .	80,165	4,071
1891-92 .	64,123	17,135
1892-93 .	58,920	48,552
1893-94 .	57,624	36,868
1894-95 .	19,747	58,230
1895-96 .	51,474	65,920

The importation of Asiatic cotton, mainly from the Mekran coast and Persia, was much larger than in the year 1894-95, but was below the average—

a fact which may be explained by the great abundance of the Indian cotton crop. With such a crop and with a range of moderate to low prices, there was not much activity in the demand for cotton of a quality not better than that of Indian cotton.

The case was different with non-Asiatic cotton, the progress of which trade is of some interest. In writing about this trade in the review of the trade of 1894-95, it was remarked that "the question a few years hence will probably be whether India can produce cotton capable of producing in a spinning mill the finer counts of yarns, say from 30s to 50s. At present, however, the business is too small to present any temptation to the cultivator to attempt the production of cotton for which he might be unable to find a market in competition with imported cotton."

The matter is to be tested sooner than was anticipated. Mr. Jamsetji N. Tata, the senior member of a well-known mercantile firm in Bombay, whose attention has been given for some time past to the question of spinning the finer counts in the mills in which he is interested, has decided to experiment at once in various places in Bombay and Sind in the cultivation of Egyptian cotton, the cultivator growing the cotton from seed furnished by Mr. Tata and that gentleman offering to buy the produce. This is precisely what was wanted, for until a market presented itself it was idle for officials to suggest that the Indian cultivator should take the risk of growing a staple for which the market was the reverse of certain. The cultivator knew that if he grew the short-stapled Indian cotton every pound that he produced would be sold at a price: what he did not know was, first, that the long-stapled cotton could be grown successfully; and secondly, whether, if successful, the produce would be saleable at any price. Here Mr. Tata stepped in and offered to take the risk and buy the cotton, and under the direction of a gentleman of his known enterprise and judgment, it is certain that if the successful commercial growth of the long-stapled cotton is feasible, the experiments now to be initiated by him will prove the fact. A novel feature in the experiment will be the cultivation of the cotton in the cold season as a *rabi* crop: Hitherto all the experiments made for the last half-century have been based on the fact that Indian cotton is grown in the rainy season as a *kharif* crop; but Mr. Tata, bringing his experience of Egypt to bear on the subject, says that rain is destructive of the crop. The success of the experiment must necessarily be followed by such profound modifications of the present conditions of the Indian manufacturing industry and the trade in imported cotton goods, that it will be watched with close interest.

Silk.—The trade of the year was higher than the high level of 1893-94 :

	lbs.	Rx.
1891-92 .	2,701,069	1,264,003
1892-93 .	2,292,846	1,016,080
1893-94 .	2,947,595	1,360,179
1894-95 .	2,494,496	1,036,533
1895-96 .	3,030,546	1,232,950

This is almost exclusively a Bombay trade, the raw silk being imported there from China, Japan, and the Straits, for manufacture in the silk mills. A certain quantity is also imported from the Straits into Burma for use in the hand looms which are numerous in that country.

The other articles enumerated in this class are all of small importance. The larger of them are here mentioned, with their values (in Rx.) in 1895-96:

Canes and rattans	27,513
Gums and resins	130,397
Hemp	27,118
Hides and skins	88,822
Ivory	309,013
Precious stones and pearls, unset	652,351
Stick lac	32,510
Pitch, tar, and dammer	65,431
Seeds	93,183
Shells and cowries	43,561
Stone and marble	28,900
Teakwood (Rx. 157,940) and other wood and timber .	262,284
Wool	160,749

Attention has frequently been drawn to the fact that Burma teak cannot apparently compete in Bombay with Siamese teak, and that that trade increases year by year. There was a further large development in it last year. Probably the greater cheapness of Siamese teak is the attraction, the quality being inferior to that of Burma teak.

The only other articles to which attention need be directed on the present occasion are precious stones and pearls, unset. In these the record of the last two years exhibits a most remarkable increase in the imports. It need not be supposed, however, that there has been any sudden or abnormal development of the desire for jewellery. There has probably been no particular expansion of the trade, but since the introduction of the tariff in 1894, much closer attention has been given by the customs staff to watching and testing the declarations of importers, even of goods that are free under the tariff. The sudden increase in one year from an average of Rx. 170,000 to Rx. 570,000 and then to Rx. 652,000, indicates, what has often been stated in these reviews, that a large proportion of this trade used to escape registration. Doubtless the registration is even now anything but complete, for the opportunities for concealment are great.

MANUFACTURED ARTICLES.

Cotton yarn.—The imports of cotton twist and yarn in the last decade have been as follow:

	lbs.		lbs.
1886-87 .	49,014,000	1891-92 .	50,404,000
1887-88 .	51,543,000	1892-93 .	38,277,000
1888-89 .	52,587,000	1893-94 .	42,807,000
1889-90 .	46,383,000	1894-95 .	41,483,000
1890-91 .	50,971,000	1895-96 .	46,355,000

There was a substantial recovery in the year from the low level of the preceding three years, but the trade is not progressive. The imports of the year were in fact much lower than they were ten years ago. The contraction which the trade is undergoing is evident from a comparison of the imports in the last five years with the imports of the five years preceding them. The figures stand thus:

	lbs.
1886-87 to 1890-91 .	250,498,000
1891-92 to 1895-96 .	219,326,000

The decrease amounts to about $12\frac{1}{2}$ per cent.

In 1894-95 a commencement was made in the collection of statistics shewing the counts of yarn which were most largely imported. The figures were quite fragmentary, but they shewed that while in grey yarn there was hardly any trade in counts under No. 26, and that the bulk of the trade was in the counts from 26 to 50, mainly 30 to 40, there was a material importation of counts of coloured yarn of 25, though the bulk of the trade in such yarns was in counts of 31 to 50. Similar figures, which have been registered throughout the year 1895-96, confirm the results obtained in the preceding year and are here inserted :

	Mule (lbs.).	Coloured (lbs.).
No. 20 and under .	196,383	3,302,878
21 to 25 .	18,046	3,959,944
26 to 30 .	4,008,510	2,002,651
31 to 50 .	13,302,482	15,109,306
Above 50 .	1,569,455	270,975

Cotton fabrics.—The imports of piece-goods in the last ten years have been :

	Grey (unbleached). Yards.	White (bleached). Yards.	Coloured, printed, or dyed. Yards.
1886-87 .	1,356,279,000	387,104,000	412,036,000
1887-88 .	1,180,175,000	320,464,000	339,103,000
1888-89 .	1,347,299,000	406,492,000	372,457,000
1889-90 .	1,257,001,000	339,098,000	400,949,000
1890-91 .	1,280,540,000	373,149,000	360,335,000
1891-92 .	1,173,176,000	361,395,000	348,117,000
1892-93 .	1,092,584,000	376,359,000	339,111,000
1893-94 .	1,314,038,000	393,130,000	422,320,000
1894-95 .	1,352,271,000	497,332,000	408,072,000
1895-96 .	1,066,446,000	333,754,000	314,679,000

The conditions which have affected and influenced the volume of the trade since 1893-94 were mentioned in detail in the review of the trade of 1894-95 and are further mentioned in the introductory chapter of this review. It is therefore unnecessary to repeat them. It may be pointed out—turning to details—that the imports of 1893-94 and 1894-95 were so largely in excess of the average that a pause in further progress was inevitable, even if there had been no anticipation of a change in fiscal conditions, though probably the pause would not have been so marked if that anticipation had not existed.

That this trade is non-progressive, like the trade in yarns, though not in the same degree, is apparent from the foregoing figures and still more clearly if we apply the test applied in the case of yarns, and compare the imports of the last five years with those of the preceding five years (in yards, 000's omitted) :

	1886-87 to 1890-91.	1891-92 to 1895-96.
Grey . . .	6,421,294	5,998,515
White . . .	1,826,307	1,961,970
Coloured . . .	1,884,880	1,832,299

The increase which is shewn against white goods is entirely due to the quite exceptional trade of 1894-95, though under this head a substantial increase was reasonable to expect, seeing that goods of this class are subject to no effective competition from the manufactures of Indian mills. The same may be said substantively, though not quite so entirely, of grey goods. But in grey goods and

coloured goods, as the figures shew, there has been a decline, and in white goods the increase is small having regard to the period over which it is spread and to the abnormal trade in one of the years of the second period of comparison.

A record was begun in 1894-95 of the descriptions of which the three great classes of cotton goods are composed, and from the figures so obtained, though they were fragmentary, the following deductions were drawn and stated in the review of the trade of that year:

"In grey goods, which form the great mass of the imports of cotton piece-goods, the yarns used in shirtings and in chádars, dhutis, sáris, and scarves, are of the medium counts—say from 30s to 40s,—and these descriptions of goods constitute 80 per cent of the imports specified above, while they would be found, if we had complete statistics, to constitute at least 90 per cent of the whole imports of grey goods. Some of the other specified descriptions are also woven of the medium and finer classes of yarns, and among these may be enumerated jaconets, mulls, and madapollams. It is in fact only in the case of printers, T-cloths, domestics, jeans, sheetings, and drills, that the lower counts of yarn (20s and under) are freely employed. These classes of goods constitute less than 4 per cent of the classes specified above and are perhaps not two per cent of the imports. On this point the statistics which are being obtained during the current year will throw clear light. In white and coloured goods the proportion of the classes made of the coarser yarns (20s and under) would seem to be even smaller than it is in grey goods."

These inferences are confirmed by the figures for the year 1895-96 which are subjoined (yards, 000's omitted):

Grey.	White.	Coloured.
Jaconets 82,280	Jaconets 24,471	Jaconets 7,275
Mulls 10,095	Nainsooks 78,493	Mulls 2,502
Printers 3,790	Mulls 85,817	Prints and chintz . . 110,606
Shirtings 521,941	Shirtings 56,289	Shirtings 40,974
Madapollams 24,778	Longcloths 1,269	Drills 4,731
T-cloths and domestics . 15,664	Cambrics, twills, muslins, and lawns 8,113	Cambrics, twills, and muslin 69,244
Jeans, sheetings, and drills 18,058	Chádars, dhutis, sáris, and scarves 52,346	Chádars, dhutis, sáris and scarves 29,961
Chádars, dhutis, sáris, and scarves 383,362		

The result is that grey goods made of medium counts, say from 30s to 40s, constitute 96 per cent of the whole imports of such goods, thus:

Shirtings, chádars, dhutis, sáris, scarves	85 per cent of the whole.
Jaconets, mulls, madapollams	11 „

The United Kingdom was the source of supply of piece-goods to the extent of 98 per cent, the Continent and the United States supplying most of the trifling quantity not shipped from the United Kingdom.

The proportions of each kind received in the last two years from the United Kingdom were:

	1893-94. Per cent.	1894-95. Per cent.	1895-96. Per cent.
Yarns	97·2	97·3	96·5
Grey piece-goods	99·8	99·7	99·7
White „ . .	98·8	99·2	99·2
Coloured „ . .	97·3	97·9	97·7

Besides the three great classes of piece-goods, grey, white, and coloured, referred to above, the principal other kinds of cotton manufactures imported are (values in Rx. in 1895-96) :

Handkerchiefs and shawls in the piece .	199,289
Lace and patent net	47,287
Hosiery	100,868
Sewing thread	160,875

The value of the imports of cotton yarns and woven and other goods in the last four years was :

	1892-93. Rx.	1893-94. Rx.	1894-95. Rx.	1895-96. Rx.
Yarns	2,683,850	3,108,941	2,851,254	2,971,090
Woven and other goods	22,942,015	29,268,528	29,822,374	22,784,782
	<u>25,625,865</u>	<u>32,377,469</u>	<u>32,673,628</u>	<u>25,755,872</u>

In 1895-96 the value represented about 37 per cent of all imported merchandise, this ratio being very much lower than the average.

The imports of yarns and piece-goods were thus distributed among the Indian provinces last year, the proportions varying but little from year to year :

	Yarns. lbs. (ooo's omitted).	Piece-goods, yards (ooo's omitted).		
		Grey.	White.	Coloured.
Bengal	12,868	775,281	141,371	88,191
Bombay	10,497	197,854	126,712	130,471
Sind	2,915	36,502	23,528	46,777
Madras	10,914	51,287	17,772	25,416
Burma	9,161	5,522	24,371	23,824

Silk goods.—Three years of large and active trade left the markets overstocked; then came the imposition of the import duty, and the opportunity was taken to clear stocks and realise on them the profit accruing from the duty; the imports of 1894-95 accordingly were reduced to a very low level. Stocks having been sold and profits realised, the trade of last year was again large, though not up to the level of the three years 1891-92 to 1893-94. The value of the trade in the five years was :

	Rx.
1891-92 .	1,750,695
1892-93 .	1,801,571
1893-94 .	1,827,874
1894-95 .	1,277,420
1895-96 .	1,704,320

It is noticeable that the imports are directed in the main to Bombay (Rx. 1,089,157) and to Burma (Rx. 476,248). Bombay no doubt supplies a large section of Northern India as well as the whole of Peninsular India, but it might have been supposed that Bengal would require silk goods to a larger extent than is represented by a value of Rx. 124,262. The explanation is that the people of Bengal do not wear clothing made of imported silk, as do many sections of the population of Western India and the Burmans, and the silk imported into Bengal is in the main required for the European residents.

Woollen goods.—The decline of 1894-95 was followed by another last year. The figures of value stand thus, in Rx. :

1891-92	.	1,762,031
1892-93	.	1,523,243
1893-94	.	1,892,042
1894-95	.	1,541,639
1895-96	.	1,445,517

Although great progress has been made in recent years by the Indian woollen mills, it can hardly be said that their manufactures as yet effectively compete with the descriptions of goods which are imported. The progress made by the mills will appear from the comparative figures subjoined :

		1887.	1895.
Capital employed Rx.	.	180,000	325,000
Persons „ No.	.	1,353	2,929
Looms „	.	263	531
Spindles „	.	6,868	17,244

The bulk of the manufacture is conducted at Cawnpore in the North-Western Provinces, and at Dhariwal in the Panjab.

OTHER MANUFACTURED GOODS.

Of the other articles enumerated in this class the following are the most important. The value of the trade in each of the last five years is here specified :

	1891-92. Rx.	1892-93. Rx.	1893-94. Rx.	1894-95. Rx.	1895-96. Rx.
Apparel, including boots and shoes	1,398,027	1,383,830	1,578,049	1,435,191	1,594,280
Arms and ammunition, including dynamite and other explosives	206,517	225,775	265,713	271,041	287,406
Books and printed matter	221,594	230,564	248,635	232,356	241,024
Building materials	173,010	140,211	168,981	167,080	200,902
Cabinet-ware and furniture	113,258	96,062	111,990	89,024	104,085
Candles	126,777	148,426	151,982	137,899	179,142
Clocks and watches	140,283	115,789	154,554	100,985	136,042
Corals, real	168,113	121,045	167,357	120,637	113,862
Earthenware and porcelain	273,573	251,593	251,596	192,843	231,422
Glass and glassware	728,203	670,804	788,480	619,996	741,078
Instruments and apparatus :					
Musical	95,772	90,188	101,159	91,269	100,214
Scientific	121,724	115,168	131,684	127,121	172,810
Jewellery and plate	90,100	93,443	134,729	95,142	126,088
Leather and leather goods, excluding boots and shoes	191,449	179,545	200,760	178,597	220,878
Matches	331,689	358,957	375,137	367,845	361,433
Paints and colours and painters' materials	292,858	299,517	324,236	299,559	375,577
Paper and pasteboard	470,339	436,098	494,208	347,524	409,983
Soap	110,417	116,478	121,703	104,766	131,631
Stationery	245,567	262,042	267,771	289,525	334,605
Toys and requisites for games	161,394	152,475	180,399	167,253	184,571
Umbrellas	414,942	441,145	480,933	346,331	344,218

With three exceptions all the articles in the foregoing list have recovered from the relatively low level of 1894-95, the lowness of that level having been due, as was suggested in the review of that year, to a temporary reaction following on speculative imports made in 1893 to take advantage of the rise in the rate of exchange which followed the closure of the mints. The three exceptions are corals, matches, and umbrellas. The trade in corals is small and so subject to peculiar social and other conditions that the causes of its fluctuations are not always visible. The trade in matches has been much overdone during the last two or three years owing to the incursion into the market of the Japanese with great supplies of extremely cheap and fairly good matches. These Japanese matches in the last two years have represented little less than a third of the value of the

whole imports, and the better but dearer English matches seem unable to succeed in the competition, for importations from the United Kingdom have declined heavily and Norway, Sweden, Germany, and Japan appear to be thrusting English matches out of the Indian market. In umbrellas also the imports have been for some time in excess of requirements, especially as the industry of re-covering umbrellas has now been started.

The competition of India with imported paper seems to be manifesting itself in the figures, for there is an absence of elasticity in the trade which, though it may be partly accounted for by the substitution of the cheaper Continental paper for English paper, is mainly due to the expansion of the output of the Indian paper mills. These mills, however, are said to be suffering from the effects of increasing production beyond the capacity of the consuming market. The progress of the industry has certainly been rapid, as will be seen from the comparative figures below :

		1891.	1895.
Capital employed Rx.	.	446,800	627,200
Persons „ No.	.	2,633	3,594
Outturn lbs.	.	26,050,692	39,927,687
Value of outturn Rx.	.	412,039	608,633

The list appended states in the order of their importance the principal articles of merchandise imported into India :

	1891-92. Rx.	1892-93. Rx.	1893-94. Rx.	1894-95. Rx.	1895-96. Rx.
Cotton goods and yarn	28,689,472	25,625,865	32,377,469	32,673,628	25,755,872
Metals, including hardware and cutlery	6,894,067	6,599,772	7,580,282	6,345,660	8,196,005
Machinery and millwork	2,111,596	2,359,103	2,518,038	2,442,433	3,237,401
Oils, chiefly mineral	2,635,955	2,919,162	3,570,188	2,221,222	3,137,420
Sugar	2,561,996	2,625,683	2,824,190	2,875,297	3,106,813
Silk, raw and manufactured	3,014,698	2,817,651	3,188,053	2,313,952	2,937,271
Chemicals, drugs and medicines, dyes, &c.	1,535,486	1,615,194	1,837,570	1,866,294	2,160,649
Provisions	1,771,793	1,862,055	1,782,868	1,575,943	1,797,245
Liquors	1,442,095	1,447,263	1,458,204	1,458,180	1,695,828
Apparel	1,398,027	1,383,830	1,578,049	1,435,191	1,594,280
Railway material	1,484,173	1,032,939	1,242,977	1,556,969	1,520,584
Woollen goods	1,762,031	1,523,243	1,892,042	1,541,639	1,445,517
Coal	1,250,493	1,141,450	972,588	1,473,964	1,402,790
Glass and glassware	728,203	670,804	788,480	619,996	741,078
Spices	797,196	623,633	873,655	777,106	659,329
Salt	627,953	576,694	791,067	842,193	653,226
Paper and pasteboard	470,339	436,098	494,208	347,524	409,983
Umbrellas	414,942	441,145	480,933	346,331	344,218

General distribution of the import trade.—The total value of the imports of foreign merchandise in the last three years was thus distributed among the principal countries with which the trade is carried on. It will be observed that Belgium and Germany now come next after China :

	1893-94.		1894-95.		1895-96.	
	Rx.	Per cent.	Rx.	Per cent.	Rx.	Per cent.
1. United Kingdom	52,001,013	= 70·3	51,105,757	72·8	47,161,484	68
2. China	3,542,556	= 4·8	2,662,958	3·8	2,805,858	4·2
3. Belgium	2,053,275	= 2·8	1,866,365	2·7	2,728,893	3·9
4. Germany	1,714,003	= 2·3	1,731,453	2·5	2,352,529	3·4
5. Straits Settlements	2,524,623	= 3·4	2,103,158	3	2,075,220	3
6. Russia	1,263,014	= 1·7	1,007,645	1·4	1,867,558	2·7
7. Mauritius	1,787,030	= 2·4	1,961,603	2·8	1,721,339	2·5
8. Austria-Hungary	1,371,383	= 1·9	1,194,115	1·7	1,324,871	1·9
9. United States	2,016,270	= 2·7	1,106,441	1·6	1,139,438	1·6
10. France	1,138,262	= 1·5	860,430	1·2	978,970	1·4

CHAPTER II.

Exports of Merchandise.

I. EXPORTS OF FOREIGN MERCHANDISE.

The figures of the last five years are—

	Rx.
1891-92 .	4,485,179
1892-93 .	4,590,290
1893-94 .	4,431,975
1894-95 .	5,057,561
1895-96 .	4,717,979

In 1895-96 there was a decrease of $6\frac{1}{2}$ per cent compared with 1894-95, the decline from the high level of 1894-95 corresponding with the decline in the import trade. Such a very large proportion of the re-export trade consists of cotton manufactures (including yarn), that a diminished re-export of these goods, which always accompanies a diminished importation, materially affects the aggregate of the trade. The whole decline in the trade, which amounted to Rx. 339,582, is more than accounted for by the decline in cotton manufactures (including yarn), which amounted to Rx. 359,125; so that in other articles there was a substantial increase. As will have been seen from the preceding chapters of this paper, the trade in cotton goods was in an exceptional condition.

The share of the trade with each country is shewn below :

	1894-95. Rx.	1895-96. Rx.		1894-95. Rx.	1895-96. Rx.
United Kingdom .	1,038,689	1,141,803	Turkish Arabia .	346,937	232,798
Persia	1,652,528	1,101,451	Aden	203,750	190,132
Arabia	326,041	413,170	Ceylon	187,862	172,376
Straits	389,899	363,877	China	146,723	171,187
East Coast of Africa, Zanzibar, and Mozambique. .	330,532	335,284	Russia	13,446	154,056
			Mauritius . . .	158,703	142,049

Over 95 per cent of the trade of the year was carried on from Bombay and Karáchi, about four-fifths of it from Bombay.

The principal articles of the trade and their values are shewn below :

	1894-95. Rx.	1895-96. Rx.
<i>Articles of Food and Drink :</i>		
Provisions	130,880	125,415
Sugar (refined) . .	271,534	216,572
Tea	432,854	361,085
<i>Metals and Metalware :</i>		
Hardware and cutlery .	69,315	81,854
Copper	40,563	57,705
Iron	60,564	88,625
<i>Chemicals, Drugs, &c.</i>	86,396	80,036
<i>Raw materials :</i>		
Gums and resins . .	82,647	75,587
Ivory (unmanufactured)	101,789	96,345
Wool	639,236	760,819
<i>Manufactured goods :</i>		
Apparel	131,565	154,111
Cotton twist and yarn .	111,602	70,717
Cotton manufactures, piece-goods, &c. .	2,123,178	1,804,938
Silk manufactures . .	90,113	88,770
Woollen manufactures .	63,095	57,787

To the extent of nearly 40 per cent, the trade consisted of cotton goods and yarn. The only other articles of any importance are wool, tea, and sugar.

The reduction in value of the tea trade indicates a fall in price, not a reduction in quantity, which was slightly larger than in the preceding year. Of the total quantity of tea exported (4,369,878 lbs.) over four millions were shipped to Persia (2,252,814 lbs.) and Russia in Asia (1,831,713 lbs.), the trade with the latter country being the development of the last two years. The quantity shipped to Persia was much smaller than in recent years ; but it is satisfactory to note that the export to that country of Indian tea maintained the high level of the preceding year.

There was a large increase in the export of wool and a decline in sugar.

II. EXPORTS OF INDIAN MERCHANDISE.

The figures for the last fourteen years are as follow :

	Rx.	Increase or decrease per cent.		Rx.	Increase or decrease per cent.
1882-83	80,598,155	+ 1'7	1889-90	99,101,055	+ 7
1883-84	85,085,720	+ 5'5	1890-91	95,902,193	— 3'2
1884-85	80,313,208	— 5'6	1891-92	103,550,831	+ 7'9
1885-86	80,734,731	+ 0'5	1892-93	101,945,707	— 1'5
1886-87	84,908,994	+ 5'2	1893-94	102,015,615	+ 0'07
1887-88	86,370,022	+ 1'7	1894-95	103,757,438	+ 1'7
1888-89	92,642,735	+ 7'2	1895-96	109,545,161	+ 5'6

The gradual revival of trade which marked 1894-95, following after a year of quite exceptional conditions, was still more marked in 1895-96, and the aggregate figures of the trade must be regarded as very satisfactory, considering especially that there was a serious contraction in the important head of oilseeds and that the values of jute and opium were substantially lower than in 1894-95. In all other important heads, however, the trade of the year was good.

In the following list the principal articles in the trade and their values for the last five years are shewn (in Rx.):

	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.
1. Grain and pulse	28,695,680	20,562,972	16,325,142	17,056,850	18,292,774
2. Cotton, raw	10,754,312	12,743,679	13,296,670	8,703,356	14,990,193
3. Jute, raw	6,848,493	7,944,223	8,524,130	10,575,977	9,992,861
4. Seeds	12,208,458	11,631,015	16,753,251	14,201,520	9,717,431
5. Opium	9,562,261	9,255,014	8,019,428	9,064,665	8,459,336
6. Cotton yarn and cloth	7,035,036	8,109,658	6,242,558	7,148,679	8,344,587
7. Tea	5,968,129	6,292,348	6,585,835	7,555,745	7,664,889
8. Hides and skins	5,186,002	5,591,935	5,801,328	6,559,940	7,639,478
9. Indigo	3,214,076	4,141,179	4,182,128	4,745,915	5,354,511
10. Jute manufactures	2,513,100	3,237,093	3,441,787	4,210,834	4,747,443
11. Coffee	1,998,659	2,066,862	2,002,171	2,122,373	2,198,192
12. Lac	751,224	784,950	960,330	1,406,474	1,833,601
13. Wool, raw	1,013,864	1,116,578	1,079,772	1,376,850	1,355,108
14. Provisions	776,531	775,802	873,877	853,155	894,794
15. Dyes (other than indigo)	764,710	802,013	841,073	864,490	872,683
16. Wood and timber	609,463	695,259	589,764	661,824	801,897
17. Oils, including paraffin wax	604,046	633,626	535,881	775,016	738,707
18. Silk, raw	518,627	617,574	698,099	502,009	642,169
19. Sugar	508,417	507,914	892,741	550,583	574,745
20. Saltpetre	365,618	438,940	338,102	411,365	535,945
21. Spices	408,978	514,675	455,923	516,329	489,509

The ratios of increase and decrease in each of the articles mentioned above are given in the subjoined table. Very noticeable increases occurred last year in cotton and cotton goods (including yarn), also in hides and skins, indigo, jute goods, lac, timber, raw silk, and saltpetre. There were no decreases of particular importance except in oilseeds : that, however, was heavy, and it followed a decline in the preceding year :

	1893-94.	1894-95.	1895-96.
1. Grain and pulse . . .	— 20·6	+ 4·5	+ 7·2
2. Cotton, raw . . .	+ 4·3	— 34·5	+ 61·9
3. Jute, raw . . .	+ 7·3	+ 24·1	— 5·5
4. Seeds . . .	+ 44	— 15·2	— 31·6
5. Opium . . .	— 13·3	+ 13	— 6·7
6. Cotton yarn and cloth . .	— 22·9	+ 14·5	+ 16·7
7. Tea . . .	+ 4·6	+ 14·7	+ 1·4
8. Hides and skins . . .	+ 3·7	+ 13·1	+ 16·4
9. Indigo . . .	+ 1	+ 13·5	+ 12·8
10. Jute manufactures . . .	+ 6·3	+ 22·3	+ 12·7
11. Coffee . . .	— 3·1	+ 6	+ 3·6
12. Lac . . .	+ 22·3	+ 46·5	+ 30·4
13. Wool, raw . . .	— 3·3	+ 27·5	— 1·6
14. Provisions . . .	+ 12·6	— 2·4	+ 4·9
15. Dyes (other than indigo)	+ 4·8	+ 2·8	+ 9
16. Wood and timber . . .	— 15·2	+ 12·2	+ 21·1
17. Oils . . .	— 15·4	+ 44·6	— 4·7
18. Silk, raw . . .	+ 13	— 28·1	+ 27·9
19. Sugar . . .	+ 75·7	— 38·3	+ 4·4
20. Saltpetre . . .	— 23	+ 21·7	+ 30·3
21. Spices . . .	— 11·4	+ 13·2	— 5·2

The following is a statement of the prices of the principal articles of Indian export, the prices in 1873 being taken to represent 100 :

	Cotton, Broach.	Cotton yarns, 20s.	Rice, moonghy.	Wheat No. 1, soft white.	Opium (Bengal).	Indigo, good.	Jute, picked.	Gunnybags.	Linseed, fine, bold, clean.	Tea.	TOTAL.
March 1873	100	100	100	100	100	100	100	100	100	100	1000
January '74	88	100	150	75	105	114	153	88	115	123	1111
" '75	80	81	128	80	96	109	126	111	108	123	1042
" '76	85	80	111	84	96	91	141	84	90	136	998
" '77	87	90	150	93	97	110	150	95	102	148	1122
" '78	84	80	155	119	97	88	153	101	106	135	1118
" '79	78	74	189	116	87	114	153	99	109	129	1148
" '80	98	81	136	115	94	112	169	89	113	126	1133
" '81	95	85	89	96	109	105	156	111	104	135	1085
" '82	90	80	83	97	102	117	137	118	91	126	1041
" '83	78	74	101	87	91	107	96	98	85	110	927
" '84	85	74	142	86	93	117	162	106	96	116	1077
" '85	90	72	142	74	99	103	110	94	98	90	972
" '86	81	72	130	80	93	107	137	85	101	96	982
" '87	85	69	103	89	83	70	137	98	101	77	912
" '88	95	74	110	86	80	82	153	125	95	84	984
" '89	93	79	131	95	94	93	192	126	112	77	1092
" '90	95	74	144	84	86	76	197	118	109	63	1046
" '91	84	70	147	87	79	86	126	93	97	81	950
" '92	75	65	162	103	79	74	236	132	112	71	1109
" '93	107	78	189	95	96	114	192	119	128	87	1205
" '94	84	71	170	80	84	108	241	109	123	52	1122
" '95	70	67	155	82	117	105	175	110	127	97	1105
" '96	94	74	142	81	100	105	175	108	115	84	1078

Grouping the items as in the trade returns, the values of the trade in each group for each of the last five years are as follow in Rx. :

	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.
1. <i>Animals, living</i>	101,878	137,307	123,213	137,761	161,053
2. <i>Articles of food and drink</i> .	38,456,954	30,810,947	27,240,303	28,841,690	30,249,862
3. <i>Metals and manufactures of metal</i>	77,019	84,407	76,688	87,936	118,685
4. <i>Chemicals, drugs, medicines, narcotics, and dyeing and tanning materials</i> .	14,252,341	15,027,100	13,683,677	15,428,990	15,564,314
5. <i>Oils</i>	604,046	633,626	535,881	775,016	738,707
6. <i>Raw materials and unmanufactured articles</i>	35,779,146	38,830,240	45,023,314	40,680,058	42,188,471
7. <i>Articles manufactured and partly manufactured</i> .	14,279,447	16,422,080	15,332,539	17,805,986	20,524,069

ARTICLES OF FOOD AND DRINK.

Coffee.—The exports have been as follow :

	Cwt.	Rx.		Cwt.	Rx.
1886-87 .	370,458	1,502,251	1891-92 .	311,864	1,998,659
1887-88 .	273,775	1,529,680	1892-93 .	296,687	2,066,862
1888-89 .	365,299	1,884,243	1893-94 .	278,735	2,002,171
1889-90 .	239,795	1,489,872	1894-95 .	281,297	2,122,373
1890-91 .	233,451	1,454,985	1895-96 .	290,902	2,198,192

This trade has been thriving remarkably for some years under a range of very high prices which have brought much comfort to the coffee planter of Southern India. Prices last year were maintained by the occurrence of a very small coffee crop in Brazil in 1895. The crop in the present year, however, is reported to be about the largest known, and possibly there may be a decline of prices.

Rice.—The total exports from each province last year and in each of the nine preceding years are given below :

Exports of Rice (husked) in cwt. (000's omitted).

	Burma.	Bengal.	Madras.	Bombay.	Sind.	Total for India.	Value Rx.
1886-87 .	18,216	5,902	1,564	639	139	26,460	8,764,809
1887-88 .	17,879	7,996	1,438	764	72	28,149	9,225,109
1888-89 .	14,205	6,417	1,538	589	19	22,768	7,845,350
1889-90 .	18,259	5,992	1,654	799	70	26,774	10,047,331
1890-91 .	24,581	7,928	1,210	646	109	34,474	12,773,628
1891-92 .	22,676	8,354	1,018	598	94	32,740	13,296,792
1892-93 .	18,339	7,201	1,002	716	137	27,395	12,274,352
1893-94 .	15,601	6,590	1,207	511	111	24,020	10,246,522
1894-95 .	22,781	7,916	1,663	1,233	129	33,722	13,692,095
1895-96 .	24,612	7,925	1,140	887	72	34,636	13,430,703

The countries to which Indian rice was exported in the last five years are these :

		Cwt. (000's omitted.)				
		1891-92.	1892-93.	1893-94.	1894-95.	1895-96.
<i>Europe :</i>						
United Kingdom		5,135	5,346	4,917	4,681	5,311
Malta		1,640	200	293	540	...
France		47	41	55	55	101
Egypt		10,875	7,931	5,520	10,144	10,773
Germany		544	510	421	754	719
Other countries		7	57	2	347	3
TOTAL		18,248	14,085	11,208	16,521	16,907
<i>Asia :</i>						
Ceylon		4,145	4,104	3,911	4,346	4,656
Straits		4,180	2,921	3,177	4,608	6,410
Arabia and Aden		892	1,226	901	1,186	1,024
Persia and other countries .		413	369	364	502	651
TOTAL		9,630	8,620	8,353	10,642	12,741
<i>Africa :</i>						
Mauritius, Réunion, and Eastern Coast		2,072	1,845	2,023	2,548	2,313
Cape Colony, Natal, and other countries		270	227	231	502	462
TOTAL		2,342	2,072	2,254	3,050	2,775
<i>America :</i>						
West Indies		539	271	123	291	234
South America (chiefly Brazil)		1,796	2,166	2,019	3,040	1,943
Canada		74	118	2	82	...
United States		63	24	25	70	...
TOTAL		2,472	2,579	2,169	3,483	2,177
<i>Australia</i>		48	39	36	26	36

Glancing at the figures of the past six years it would seem that two years of large and active exports were followed by two years of restricted exports, these two years being followed again by another two years of large and active trade. Last year's level was slightly above the level of 1890-91, a year of quite exceptionally active trade. The increase, it will be seen, was mainly in the trade with the Straits ; it was largely the result of speculation.

If we turn to the table exhibiting the distribution of the trade, we find that a little less than half the whole exports is shipped to European ports, and that in this portion of the trade there was hardly any increase, nor indeed has there been any for the last six years. Indian rice in Europe has to compete with the rice of other countries, that which is grown in Europe itself and that which is imported from Japan, Siam, and Cochin-China, and it has also to compete with a number of other substances which are used in distillation and for the manufacture of starch, for which purposes a great proportion of Indian rice is employed in Europe. These substances are potatoes, sugar, maize, rye. This double competition tends to maintain the price of Indian rice in Europe at a low level and to prevent that expansion of trade which is observed in the course of years with most of our staples.

The other half of our rice is distributed over other quarters of the world, mainly in Asiatic countries, and it is in this part of the trade that the increase of the year occurred. In fact, the trade with the Straits has not been anything like so active since the exceptional year 1890-91. This activity was due partly to speculative excitement, caused by reports (greatly exaggerated) of damage by floods to the rice crop in Japan, also by the temporary prohibition of the export of rice from some of the Chinese ports in consequence of scanty crops, a reduction in the exportable supply from Siam, and the imposition at the end of 1895 of an additional export duty on rice at Saigon (following an addition made in 1894) which precluded the competition of that rice with Burma rice in the Straits and the neighbouring archipelago. Rice in all these regions is used exclusively as food and has no other food-grain to compete with: the only real competition is between one description of rice and another.

That portion of our rice which is shipped to Africa and to America (that is, to the West Indies and South America) is consumed by a limited population of Indian and Chinese coolies, and not much expansion in the trade can be expected unless and until that population is largely augmented. The shipments of last year were not large, but they followed a year of unusually large and apparently excessive export.

The three Asiatic countries which compete with India and Burma in the supply of rice to the consuming markets of the world are Japan, Siam, and Cochin-China. The exports from these countries in 1895 were:

	Cwt.
Cochin-China (Saigon)	11,210,000
Siam (Bangkok) . . .	9,289,640
Japan	2,140,845

making a total of 22,640,000 cwt. It must be evident that the addition of this large quantity to the 34,636,000 cwt. of Indian rice must have a distinct and appreciable effect on the latter.

Exports from Bengal remained at the level of 1894-95 and there was a large increase in the exports from Burma, while from Southern and Western India the shipments were on a reduced scale, but they are relatively unimportant.

Wheat.—The subjoined table gives the exports of wheat from India for each of the last fifteen years:

	From Bengal.	From Bombay.	From Sind.	From Burma and Madras.	Total exports.	Total value.
	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.	Rx.
1881-82 . . .	6,668,047	11,328,585	1,852,334	14,554	19,863,520	8,604,081
1882-83 . . .	4,439,405	6,957,752	2,732,275	14,975	14,144,407	6,068,934
1883-84 . . .	7,611,535	8,970,603	4,372,832	1,525	20,956,495	8,877,561
1884-85 . . .	2,563,204	8,993,108	4,270,860	3,582	15,830,754	6,309,140
1885-86 . . .	4,189,672	10,608,680	6,241,017	21,150	21,060,519	8,002,350
1886-87 . . .	7,037,957	12,606,144	2,613,748	5,471	22,263,320	8,625,864
1887-88 . . .	4,334,768	8,541,621	660,758	1,022	13,538,169	5,562,373
1888-89 . . .	2,950,985	10,654,163	4,004,039	894	17,610,081	7,522,676
1889-90 . . .	1,550,839	5,146,881	7,100,282	1,222	13,799,224	5,791,377
1890-91 . . .	1,340,355	6,212,143	6,767,300	698	14,320,496	6,042,426
1891-92 . . .	4,746,938	14,430,808	11,125,000	679	30,303,425	14,380,462
1892-93 . . .	3,325,063	8,174,360	3,473,824	206	14,973,453	7,440,383
1893-94 . . .	1,037,993	4,700,180	6,418,317	56	12,156,551	5,193,885
1894-95 . . .	240,526	1,045,735	5,600,987	543	6,887,791	2,565,271
1895-96 . . .	1,011,934	2,797,842	6,192,816	320	10,002,912	3,913,896

The table begins with the year 1881-82 which was practically the year in which the trade may be said to have commenced. Dividing these fifteen years into five periods of three years each, we find that the exports have been on the average annually :

	Cwt.
First three years .	18,321,474
Second „ „ .	19,718,197
Third „ „ .	14,982,491
Fourth „ „ .	19,865,791
Fifth „ „ .	9,682,418

It should be noted that the fourth period included a quite exceptional year. It appears clear from these figures that, as has been observed on former occasions, this trade has not appreciably expanded since its commencement, and that in fact it has undergone contraction since 1887. Oddly enough, the marked benefit to Indian trade of a low exchange or a falling exchange was always illustrated, by the preachers of this curious economic doctrine, by a reference to the wheat trade, and the trade began to decline just after exchange began to take a new headlong plunge on the downward grade. The fact of course is that exchange has had no more influence on this than on any other part of the Indian export trade, the influence being quite temporary and evanescent, lasting only through the duration of a particular transaction which was about the time required for a readjustment of prices and freights, the first falling and the latter rising as exchange fell. The trade was influenced by other and more permanent factors, the factors which dominate all trade, namely, the extent of demand in the consuming market, the extent of supply in the producing market, and the competition of other producers which influences the demand. In regard to wheat, which is a prime necessity for a section of the population of the world, it may be said shortly that the demand for Indian wheat and its supply are dependent mainly upon meteorological conditions in India, in Europe, the United States, and now also in the Argentine republic. Given short harvests in India, or abundant harvests elsewhere, and the call for our wheat is not urgent nor is India responsive to even a moderate demand. Given short harvests elsewhere and a tolerably good harvest in India, and the trade is very responsive to the active demand that arises. Latterly the progress of Argentina in its economic evolution from the pastoral to the agricultural stage has given the world a new source of supply from virgin soil worked by cheap labour which threatens to reduce the present small demand for Indian wheat and even to run the United States close.

The increase in the trade of last year over that of 1894-95 was probably due to the fact that Argentina failed to produce as large a crop as was expected. Three-fifths of the exports consisted of Panjab wheat (the wheat harvest of 1895 in that province was excellent) shipped from Karáchi, and the destination of the wheat was as follows :

	Cwt.
United Kingdom .	6,035,000
Other European countries .	2,347,000
Egypt .	1,514,000

the shipments to Egypt being nominally to Port Said and really for some European port.

The change brought about by the construction of railways between Northern and Western India in the direction of the current of wheat exports is very marked.

First, Calcutta took the lead as the port of shipment, then Bombay, and finally Karáchi, all the exportable supply of wheat from the Panjab flowing to Karáchi. The subjoined figures, which shew the extent of the change, are of interest :

Average annual exports of wheat (cwt., 000's omitted.)

	From Calcutta.	From Bombay.	From Karáchi.
1873-74 to 1877-78	2,105	860	462
1878-79 to 1882-83	3,507	4,413	1,010
1883-84 to 1887-88	5,146	9,944	3,632
1888-89 to 1892-93	2,782	8,924	6,494
1893-94 to 1895-96	763	2,848	6,071

Wheat-flour.—The exports increased largely in the year, amounting to 74,114,000 lbs. This trade has more than doubled itself in ten years.

Unlike the trade in wheat, the trade in flour is directed mainly to the African and Arabian coasts, the bulk of the trade being from Bombay, where there are several mills for the manufacture of flour by machinery worked by steam power :

To	lbs. (000's omitted.)
Mauritius	21,572
Arabia	17,558
Aden	12,770
Ceylon	11,018
Abyssinia, Mozambique, Zanzibar, Egypt, Madagascar, Réunion, Natal	9,640

Jawár and Bájra and Pulse—

	<i>Jawár and Bájra.</i> Cwt.	<i>Pulse.</i> Cwt.
1890-91	1,095,952	301,035
1891-92	1,572,882	785,709
1892-93	920,366	435,993
1893-94	752,745	850,635
1894-95	814,269	440,025
1895-96	731,669	742,086

The small trade in the millets was done on a reduced scale last year, for prices were high in India owing to a scanty autumn harvest. The millets are in the main exported to the African and Arabian coasts, but a quantity is shipped to Europe where it is used for food for caged birds. Pulse is more largely sent to Europe than elsewhere : the rise and fall of this trade in alternate years are curious.

Salt.—The new trade in the export of salt from Madras to the Straits, to which reference was made last year, has further developed. The exports, which amounted to 10,032 tons in 1894-95, increased to 14,846 tons in 1895-96.

Spices.—This small trade seems to fluctuate from year to year within limits, and exhibits little tendency to increase. The principal items are chillies (capsicums), ginger, and pepper, but of this last the considerable quantity which is exported from the ports of Travancore finds no place in the returns. The value

of the trade in spices last year was lower than in 1894-95, but quantities were larger.

Sugar.—Another small trade which should be larger. The subjoined figures shew the trade in the last ten years :

	Refined. Cwt.	Raw. Cwt.		Refined. Cwt.	Raw. Cwt.
1886-87 .	33,340	953,066	1891-92 .	37,044	940,574
1887-88 .	37,723	1,008,565	1892-93 .	37,461	798,773
1888-89 .	34,523	978,955	1893-94 .	146,946	1,150,635
1889-90 .	111,323	1,309,321	1894-95 .	60,179	958,107
1890-91 .	28,768	795,973	1895-96 .	41,934	1,021,832

The conditions which preclude the expansion of this trade have frequently been stated.

Tea.—The exports of the year exceeded those of 1894-95 by about $8\frac{1}{2}$ million pounds, and the total quantity exported was just about twice as large as the quantity exported eleven years ago, as the figures below shew :

	lbs. (000's omitted.)	Rx.		lbs. (000's omitted.)	Rx.
1885-86 .	68,784	4,306,133	1891-92 .	120,149	5,968,129
1886-87 .	78,703	4,727,992	1892-93 .	114,722	6,292,348
1887-88 .	87,514	5,174,440	1893-94 .	126,332	6,585,835
1888-89 .	97,011	5,267,315	1894-95 .	129,099	7,555,745
1889-90 .	103,760	5,277,650	1895-96 .	137,710	7,664,889
1890-91 .	107,015	5,219,233			

The exports increased in the year by $8\frac{1}{2}$ million pounds, but this increase is much smaller than the increase in the exports of Ceylon tea which rose from $84\frac{1}{2}$ million pounds in 1894 to $98\frac{1}{2}$ million pounds in 1895.

There were in Assam, Cachar, and Sylhet in 1895 about 235,000 acres under mature plant and 41,000 acres under immature plant, this area representing about two-thirds of the whole area under tea in India in 1895, namely, 415,000 acres. The area under tea in Ceylon is stated to be over 300,000 acres. As there were in 1895 some 57,000 acres in India under immature plant, the exports may be expected to increase further and largely in the near future.

The average prices realised at the auction sales in Calcutta during the last six years were as follow, in annas and pie per pound. It will be seen that in the season 1895-96 the remarkably high level of prices which prevailed in the preceding year was not maintained. The quality of the tea was inferior to that of the tea of 1894, owing to climatic conditions which were not as favourable as in 1894 :

	1889-90.	1890-91.	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.
Orange (and broken orange) pekoe .	11-8	11-2 $\frac{3}{4}$	11-1	13-0 $\frac{5}{8}$	11-1 $\frac{7}{8}$	14-0 $\frac{3}{8}$	11-1 $\frac{1}{4}$
Broken pekoe .	9-9	8-10 $\frac{3}{4}$	8-7 $\frac{1}{2}$	11-3 $\frac{1}{8}$	9-2 $\frac{1}{8}$	11-8	9-0
Pekoe .	7-5	7-2	7-0 $\frac{1}{2}$	8-9	7-2 $\frac{3}{8}$	9-4 $\frac{1}{8}$	7-3 $\frac{1}{4}$
Pekoe fannings .	5-7	5-10	5-3 $\frac{1}{2}$	6-7 $\frac{1}{8}$	5-7 $\frac{1}{8}$	7-3 $\frac{5}{8}$	6-0
Pekoe souchong .	5-7	5-8 $\frac{1}{2}$	5-3 $\frac{1}{8}$	6-5 $\frac{1}{4}$	5-4 $\frac{1}{8}$	7-2 $\frac{5}{8}$	5-11
Broken ditto .	5-0	5-3 $\frac{1}{2}$	4-9 $\frac{3}{8}$	5-10 $\frac{5}{8}$	4-11 $\frac{5}{8}$	6-8 $\frac{1}{8}$	5-6 $\frac{1}{8}$
Other low class .	4-8	5-2	4-2 $\frac{1}{2}$	5-0 $\frac{1}{8}$	4-5 $\frac{3}{4}$	5-6	4-11 $\frac{1}{4}$

The following extract from a circular by the firm of Messrs. Gow, Wilson, and Stanton, issued in December 1895 gives an account of the London market for Indian tea :

Increasing production has so often filled tea growers with gloomy forebodings that it was natural for the past year to be attended with similar apprehension. With new land coming into bearing an unusually heavy output was assured, and unremunerative prices appeared at one time only too probable.

But the precautions taken in recent years for the safeguard of the industry, by exploiting new markets, alleviated the anticipated pressure and the threatened danger of over-production was again warded off owing to the elasticity of these external markets. The increase which took place in consumption at home, although considerable, would have been inadequate alone to cope with the larger supply ; but with the substantial aid from these outside quarters demand was sufficient to maintain prices at a figure remunerative to proprietors, although not equal to that of the exceptionally prosperous year 1894.

The moral to be drawn from the year's experience is clear ; for while nothing but disaster will prevent an increase of production, there are plenty of markets waiting further development.

* * * * *

Indian tea has to some extent suffered from a very full supply, in addition to the poorer quality produced by nearly every district when compared with last season. Hence, in spite of high rates for choice teas, the average price from the commencement of the season, *viz.*, 1st June to the end of December, was below the corresponding period of last season, *viz.*, 8½*d.* against 10*d.* per lb. The average price for the calendar year 1895 was 9*d.* against rather over 9½*d.* for 1894. It is expected that the season's export to United Kingdom will be about lbs. 123,000,000 as against 115,000,000 last season.

The exports were shipped to the extent of 90 per cent to the United Kingdom, as usual. But there was a satisfactory increase in the quantity shipped to some other countries, Australia especially. The trade with the United States and Canada has also increased, but these direct shipments to those countries are not the measure of the consumption in them of Indian tea. According to the English custom-house returns Indian tea was shipped from the United Kingdom in 1895 to the extent of 908,743 lbs. to the United States and 823,207 lbs. to British North America. Both those countries, however, took more Ceylon than Indian tea from England in 1895,—namely, 1,423,573 lbs. and 1,119,000 lbs. respectively.

The exports from India were distributed as follows in pounds (000's omitted) :

	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.
To United Kingdom . . .	111,169	108,513	116,007	118,417	123,947
Australia . . .	5,204	3,908	6,240	4,872	6,775
Persia . . .	2,789	1,407	2,497	3,173	3,188
Turkey in Asia . . .	340	115	456	1,396	1,356
United States . . .	83	50	116	228	581
Canada . . .	102	39	113	317	408
Russia in Asia . . .	...	...	...	136	486

The exports to Persia and Asiatic Turkey, it will be seen, maintained practically the high level of 1894-95, and there was a large increase in the exports to Asiatic Russia, though that trade is still of limited dimensions. The following extract from a report by Her Majesty's Consul at Batum describes the arrangements which the Russians have made for encouraging the importation of tea

into their Central Asiatic territory through that port in supersession of the land routes through Afghanistan and Persia:

Transit of tea.—Since the introduction of the new customs regulations on the Central Asian frontiers of the Russian Empire, whereby the Khanate of Bokhara was included in the Russian Customs zone, and the duty on green tea imported from India overland through Persia and Afghanistan was raised, and facilities granted for its importation by the sea route, a transit trade in this commodity, through Batoum, has sprung up, to which port tea, after being transhipped, either at Port Said or Alexandria, finds its way chiefly by the Austrian Lloyds' steamers. As this tea passes through the Batoum Custom-house in transit without paying duty, it does not appear in the return of imports.

The quantity of Indian green tea imported in transit through Batoum for Central Asia from May 1st to December 31st, 1895, was, in round figures, about 800 tons. This naturally does not represent the total quantity of tea consumed in the Central Asian regions, as, according to reports, large stocks of tea existed in Bokhara at the close of 1894, and besides, a large proportion of green tea is still finding its way by the old route, but it goes to show that, notwithstanding the comparatively speaking short space of time (from January 13th, 1895) which has elapsed since the enforcement of the new customs rules, it has been found more profitable by some tea merchants, to introduce their tea into Central Asia *via* Batoum, instead of forwarding it through Afghanistan or up the Persian Gulf and thence through Persia into Central Asia. The example set by these pioneers is almost sure to be followed by their fellow-traders, and the consequence, in such case, will be that before long the whole of the Central Asian tea transport trade will be diverted from Afghanistan and Persia, and this article will reach its destination *via* Batoum.

Tea of all qualities pays a duty at Batoum of 21 r. in gold per pood of 36 English lbs., whereas green tea of inferior quality imported from India, if in transit, only pays a duty at its destination, *viz.*, either at the custom-house of Askabad or Bokhara, at the rate of 6 r. 60 c. per pood in Russian paper currency. Higher grade teas pay 14 r. 40 c. per pood in paper currency at the custom-houses of Askabad and Bokhara.

The expenses at Batoum, including landing charges, town dues, stamps, and customs dues (but not duty), storage expenses, artel (master portorage), and forwarding expenses are from 8 to 10 c. per pood. Freight hence to Bokhara is 1 r. 85 c. per pood, and to Askabad, 1 r. 65 c. per pood. Besides these expenses, an additional sum of 15 c. per pood is charged by the custom-house at Baku (through which town the tea has to pass on its way to Central Asia and where it is appraised) for opening the tea chests and repacking them. As guarantee for the payment of duty on the tea, a deposit, equivalent to the amount of the duty, has also to be made at this custom-house, but is refunded on production of proof that the tea has reached the custom-house of Askabad or Bokhara. Black tea still finds its way to Central Asia exclusively through Persia, and pays 25 r. in paper currency on its arrival at the Russo-Persian frontier.

The table printed in the review last year is reproduced here in order to shew the condition of the competition between Indian, China, and Ceylon tea in the English market, which, as stated above, is the market for nine-tenths of the tea exported from India. This table states the imports from India, Ceylon, and China into England in the last twelve years (quantity stated in lbs., 000's omitted):

	From India.	From Ceylon.	From China.
1884 .	63,208	2,211	143,771
1885 .	64,382	4,242	139,673
1886 .	73,467	7,144	145,308
1887 .	84,645	13,062	119,799
1888 .	89,874	22,509	105,735
1889 .	95,384	32,673	88,558
1890 .	101,771	42,491	73,743
1891 .	109,638	61,900	62,284
1892 .	111,711	66,042	57,051
1893 .	115,023	72,631	56,209
1894 .	118,380	76,311	43,763
1895 .	123,362	83,448	40,084

It will be seen that the China tea now imported into England is less than one-third of what it was twelve years ago, and that not even the advantage which, it was contended, the closure of the Indian mints would give to China in the competition with India and Ceylon has served to check the downward progress of the trade. The imports from India in the same period have almost doubled, but imports from Ceylon have doubled in half that time. The exports from Ceylon to all countries in 1895 amounted to $98\frac{1}{2}$ million pounds against $84\frac{1}{2}$ in 1894.

Calcutta continues to be the great centre whence Indian tea is exported; but, with the increasing demand from Persia and Asiatic Turkey, the exports from Bombay and Karáchi are increasing. The shipments are as follows :—

	1894-95. lbs.	1895-96. lbs.
From Bengal . . .	123,000,733	130,495,190
Bombay . . .	2,828,746	3,940,295
Sind . . .	1,067,359	674,795
Madras . . .	2,149,006	2,510,059
Burma . . .	53,472	89,866
TOTAL . . .	<u>129,099,316</u>	<u>137,710,205</u>

To the quantity of tea given above as exported from British India should be added about 529,000 lbs. exported from Travancore and Cochin.

In connection with the trade in tea it may be of some interest to mention that in the last few years tea-seed has been exported from Bengal to Ceylon in increasing quantities. Last year the export amounted to 3,232 cwt., value Rx. 35,985.

CHEMICALS, DRUGS, DYES.

Saltpetre.—The exports have been :

	Cwt.	Rx.
1891-92 . . .	389,185	365,618
1892-93 . . .	443,931	438,940
1893-94 . . .	321,933	338,102
1894-95 . . .	352,985	411,365
1895-96 . . .	421,769	535,945

There was a quite remarkable revival of the trade last year, though the quantity exported fell short of that of 1892-93. The demand was active from all the countries to which Indian saltpetre is exported in large quantities, with the exception of Mauritius and Japan. During the present year the export trade is being still more actively carried on. The stimulus has probably been mainly given by speculation, but the increased demand for China was caused, it is suggested, by the necessity of replacing ammunition expended in the war with Japan. The demand from China has since, however, fallen off, while it continues from the United Kingdom and the United States.

The export of *Chinchona bark* fell to under a million pounds, being less than a third of what it was six years ago. The area under this plant has been so greatly restricted in consequence of the heavy fall in prices that it is doubtful whether even a considerable recovery in prices could have the effect of largely augmenting the exports.

Opium.—The exports are :

	Chests.	Rx.			
1891-92 .	87,558	9,562,261			
1892-93 .	75,384	9,255,014			
1893-94 .	70,839	8,019,428			
1894-95 .	68,834	9,064,665			
1895-96 .	60,860	8,459,336			
	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.
Exported from Bengal, chests .	56,773	48,149	43,593	39,778	36,390
„ Bombay, „ .	30,785	27,235	27,246	29,056	24,470

Average price—

	Bengal. Rs.	Bombay. Rs.
1890-91 .	1,038	1,165
1891-92 .	1,059	1,152
1892-93 .	1,243	1,200
1893-94 .	1,110	1,167
1894-95 .	1,331	1,297
1895-96 .	1,387	1,394

The exports were thus distributed (in chests) :

	1894-95.	1895-96.
China—Hongkong	30,823	28,527
„ —Treaty Ports	20,992	17,090
Straits	14,567	12,529
Cochin-China	1,400	1,450
Other countries	1,052	1,264

Prices took an upward turn in 1894-95, the result of speculative action arising out of the war between China and Japan, the continued deficiency in the yield of the opium fields of Northern India, and the consequent exhaustion of the reserve stocks available for sale for export. Last year the upward tendency of prices was still more marked in consequence of the further reduction in the quantity available for export.

Tobacco.—The trade in cigars again increased, the exports reaching 600,940 lbs., value Rx. 62,701, of which 181,000 lbs. were shipped to the United Kingdom and 221,000 lbs. to the Straits.

Cutch.—The exports are :

	Cwt.	Rx.
1891-92 .	197,059	317,296
1892-93 .	229,316	382,484
1893-94 .	187,115	337,890
1894-95 .	155,032	292,136
1895-96 .	183,729	379,611

The limitation of the trade in 1894-95 was ascribed by the Chief Collector of Customs in Burma, whence the bulk of the article is exported, to absence of supplies due to “the Government having further limited the issue of licenses in some of the cutch-producing districts and to the period allowed for cutch-boiling having been reduced from six to four months; also to the extension of forest reserves.” The demand from outside markets, he says, was fairly good. The increase in 1895-96 he explains as being “chiefly due to the larger outturn, the result of the Government having increased the number of licenses in some

of the cutch-producing districts with the view of affording relief to the sections of the population reduced to distress by the partial failure of the paddy crop in Upper Burma, and thus giving them a means of livelihood. Cheap freights, with a fair demand, also induced larger shipments to all countries."

Indigo.—The exports of the last ten years were as follows:—

	Cwt.	Rx.		Cwt.	Rx.
1886-87 .	138,396	3,691,677	1891-92 .	125,327	3,214,076
1887-88 .	139,644	3,890,649	1892-93 .	126,703	4,141,179
1888-89 .	142,447	3,948,594	1893-94 .	131,399	4,182,128
1889-90 .	157,116	3,863,084	1894-95 .	166,308	4,745,915
1890-91 .	118,425	3,073,125	1895-96 .	187,337	5,354,511

The exports of 1894-95 were the largest known for many years, the crop in Northern India having been unusually good. The exports of last year were still larger, for the crop was even larger than that of 1894, and the planters had the additional advantage that they put a good crop on a good market, the range of prices throughout having been satisfactory. The exports from Madras also were large.

The exports from Bengal and Madras respectively have been as follow in the last seven years :

	Bengal.	Madras.
	Cwt.	Cwt.
1889-90 .	91,835	53,889
1890-91 .	69,819	40,696
1891-92 .	98,075	19,718
1892-93 .	61,637	47,116
1893-94 .	76,398	42,751
1894-95 .	106,830	44,974
1895-96 .	111,714	62,425

The Bengal indigo exported last year was shipped to the extent of about 30 per cent to the United Kingdom, the Continent taking more than half (52 per cent) of the whole quantity. Of the rest the bulk was shipped to the United States. The Madras indigo was shipped to the extent of about 48 per cent to the United Kingdom and 22 per cent to Egypt. The Continent takes but little of this indigo, preferring the finer Bengal kinds.

Indigo is one of the most precarious of crops, and the good crop of 1895 in Behar and Bengal seems likely in the present year to be followed by a bad one.

Myrabolams.—The trade was maintained in the year on a relatively high level, though slightly lower than the level of 1894-95, which was a year of exceptionally large exports.

OILS.

The value of the exports of oils of all kinds is :

	Rx.
1891-92 .	604,046
1892-93 .	633,626
1893-94 .	535,881
1894-95 .	775,016
1895-96 .	738,707

The most important descriptions are castor and cocoanut. In these the exports have been :

		Castor.	Cocoanut.
		Gallons.	
1891-92	.	3,273,980	1,396,186
1892-93	.	2,578,992	1,643,971
1893-94	.	2,294,644	821,355
1894-95	.	2,679,236	2,285,524
1895-96	.	2,016,461	2,205,727

The abnormal increase in the exports of cocoanut oil from Madras, to which reference was made last year, continued in 1895-96. It would seem that the stimulus, though partly due to the creation of a sudden demand, may also be partly ascribed to the operation of the import duty. That duty has, as stated in another section of this paper, greatly restricted imports, and it has probably stimulated manufacture in such a degree as to leave a large surplus available for export.

The export of castor oil does not seem to increase, and it is said that petroleum is being employed in its place as a lubricant.

The exports of paraffin wax from Rangoon increased very largely in the year, 34,715 cwt. (value Rx. 60,162) having been shipped.

RAW MATERIALS AND UNMANUFACTURED ARTICLES.

Coal.—A very large increase, the shipments amounting to about 81,000 tons.

Cotton.—A very abundant crop and a good demand combined to produce an active trade in the shipment of cotton—active, that is, compared with the trade of the four preceding years. Prices too were fairly good as prices go. Towards the end of the year they began to decline and dealers refused to sell, and therefore considerable stocks remained in hand at the end of the year.

The exports of the last fifteen years are given below :

	Cwt.	Rx.		Cwt.	Rx.
1881-82	5,627	14,935,959	1889-90	6,320	18,668,404
1882-83	6,168	16,049,017	1890-91	5,914	16,502,775
1883-84	5,979	14,383,728	1891-92	4,425	10,754,312
1884-85	5,066	13,286,367	1892-93	4,789	12,743,679
1885-86	4,190	10,777,204	1893-94	4,789	13,296,670
1886-87	5,433	13,468,429	1894-95	3,385	8,703,356
1887-88	5,374	14,412,842	1895-96	5,248	14,090,193
1888-89	5,331	15,045,647			

If these fifteen years are divided into three equal periods, we find the last period compare very unfavourably with the first two. The total exports in each period were :

First five years	.	27,030,000 cwt.
Second „ „	.	28,372,000 „
Third „ „	.	22,636,000 „

Some considerable portion of the difference was not really a loss of trade or a reduction caused by inferior crops, but a diversion to the local mills, the demand from which has increased in recent years with their increasing spindle power ; but some of it was certainly due to a contraction of trade, American and Egyptian cotton, at the low prices ruling in recent years, having been preferred to Indian cotton.

The distribution of the exported cotton has been as follows in the last nine years (cwt., 000's omitted) :

	1887-88.	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.
United Kingdom .	2,140	1,776	2,166	1,520	710	528	521	333	644
Italy . . .	774	781	957	824	588	709	670	565	662
Austria-Hungary .	688	755	741	719	548	594	616	402	717
Belgium . . .	676	873	941	907	670	684	824	468	748
France . . .	487	549	635	689	509	537	472	269	465
Germany . . .	139	191	486	310	745	915	1,022	692	994
Russia . . .	134	151	94	82	53	204	172	90	4
Spain . . .	45	72	72	115	61	89	88	38	72
China . . .	202	139	125	119	110	46	4	29	60
Japan . . .	...	...	61	73	401	444	368	465	856

A glance at this table shews that the United Kingdom, which was at one time the largest, has now become but a small consumer of Indian cotton, the reduction of demand for the raw material having been coincident with the reduction of the demand in India for the yarn spun from the raw material. Lancashire now mainly spins the finer counts, and for that purpose the short-stapled Indian cotton is unsuitable. The demand from the Continent has not materially altered except in the case of Germany, and the increased exports to that country do not altogether represent an absolute increase in the trade, for they are, in some degree, direct exports which have replaced shipments made indirectly through England.

The exports to China have diminished as the exports to that country of Indian yarn have increased, and the trifling quantity of raw cotton that is now shipped to China is used, it is understood, as much for stuffing and quilting as for spinning.

With Japan there has been a complete revolution in the trade. A few years ago Japan took no cotton from India, and now the shipments in 1895-96 have amounted to 16 per cent of the whole, being larger than the shipments to any other country except Germany. This increase in the demand for the raw material has coincided with a great reduction—practically a cessation—of the demand for Indian-spun yarn, the Japanese preferring to spin the yarn themselves. We cannot expect a country to take from us the raw material for yarn if that country prefers to import the yarn, nor can we expect a country to take our yarn if that country finds it more profitable to import the raw material and spin the yarn. The two trades cannot co-exist, and, this being the case, it is matter for satisfaction that the present trade—yarn in the case of China and raw cotton in the case of Japan—is vastly more important than the trade it has displaced.

The subjoined extracts from the circulars of Messrs. Lyon and Co., of Bombay, which have been kindly placed at my disposal, contain full and accurate information on cultivation, trade, and prices :

Returns for the season ending 30th June 1896.

Receipts of Cotton at Bombay [in thousands of bales of $3\frac{1}{2}$ cwts. (392 lbs.), 000's omitted].

Season.	1895-96.	1894-95.	1893-94.	1892-93.	1891-92.	1890-91.	1889-90.	1888-89.	1887-88.	1886-87.	1885-86.	1884-85.	Average 10 years.
July 1 to December 31 . .	603	228	333	303	237	320	413	262	240	309	180	184	278.1
January 1 to June 30 . .	1,547	1,311	1,436	1,435	1,534	1,700	1,825	1,588	1,232	1,394	1,300	955	1,439.9
TOTAL . .	2,150	1,539	1,769	1,738	1,771	2,020	2,238	1,850	1,472	1,703	1,480	1,139	1,718

The receipts for the twelve months shew an increase on the previous season of 611,000 bales, equal to 39·7 per cent, on the average of the preceding ten years of 432,000 bales or 25·8 per cent; but 83,000 bales or 3·9 per cent less than in the record season of 1889-90. In the past quarter of a century but thrice have the receipts at Bombay exceeded two million bales, but thrice fallen below one million bales, the average for the twenty-five seasons being 1,455,000 bales. Last season's figures [2,150,000 bales] are the second largest on record as compared with 1,539,000 bales in the previous one, and 1,718,000 bales the mean of the preceding decade. How exceptionally early the crops were can be judged from the supplies in the first six months of the season—the last six of the past calendar year. In that period no less than 603,000 bales reached Bombay as compared with 228,000 bales in the previous one, 278,000 bales the average of the preceding decade, and 219,000 bales the mean of the past quarter of a century. The previous largest receipts in these six months were in 1889-90, when 419,000 bales came to this port; so that the receipts in the first six months of this season exceeded those of any previous one by nearly 44 per cent. The supply in the last six months, 1,547,000 bales, has been but thrice exceeded, namely, in the three consecutive seasons 1888-89 to 1891-92, as will be seen above. Last season but 1,311,000 bales came to hand, the average of the preceding decade being 1,440,000 bales, and the mean of the quarter of a century 1,236,000 bales. In nine years they fell below a million bales, the smallest being 728,000 bales in 1878-79, when the season's total reached but 832,000 bales.

Description of Cotton received at Bombay [in thousands of bales—000's omitted].

Growths.	1895-96.	1894-95.	1893-94.	1892-93.	1891-92.	1890-91.	1889-90.	1888-89.	1887-88.	1886-87.	1885-86.	1884-85.	Average, 10 years.
Khandesh	319	241	291	246	350	360	293	299	212	282	178	105	261·6
Barisi and Nagar	106	56	106	110	161	155	171	153	86	92	77	64	118·
Berar	406	215	275	255	327	428	425	409	202	326	314	152	311·3
TOTAL OOMRAS	831	512	672	611	838	943	889	866	500	700	569	321	690·9
Hinghanghat	15	1	4	8	2	22	28	26	1	20	17	2	13·
Dhollera	447	396	385	501	380	369	445	303	342	373	389	350	383·7
Broach	216	105	131	193	211	181	241	143	105	109	160	129	160·3
Cumpta and Dharwar	140	207	200	139	123	122	141	142	185	142	59	89	134·2
Westerns	28	25	41	24	17	20	20	25	37	24	20	41	26·9
Bengals	381	235	258	201	155	316	393	292	222	279	225	155	249·6
Sind	68	34	59	31	23	28	46	30	64	39	23	27	37·
Persian	14	6	11	20	16	18	33	23	16	17	17	19	19·
Other growths	10	18	8	10	6	1	2	...	...	...	1	6	3·4
TOTAL	2,150	1,539	1,769	1,738	1,771	2,020	2,238	1,850	1,472	1,703	1,480	1,139	1,718·

Exports from Bombay (in thousands, of bales of 392 lbs.) (000's omitted), also local mill consumption :—

	1895-96.	1894-95.	1893-94.	1892-93.	1891-92.	1890-91.	1889-90.	1888-89.	1887-88.	1886-87.	1885-86.	1884-85.	Average 10 years
July 1 to December 31	164	65	177	135	85	127	175	138	144	179	114	163	143·7
January 1 to June 30	636	461	732	681	819	944	1,313	1,148	749	968	894	628	887·6
To Great Britain	72	28	49	40	72	114	370	386	234	397	321	267	225·
„ Continent	728	493	860	776	832	957	1,118	900	659	750	687	524	806·3
Total to Europe	800	526	909	816	904	1,071	1,488	1,286	893	1,147	1,008	791	1,031·3
To Japan and China	305	95	108	114	151	67	40	10	26	13	25	35	58·9
„ Calcutta and Coast	45	48	36	55	52	40	32	36	32	28	35	35	38·1
Total to East	350	143	144	169	203	107	72	46	58	41	60	70	97·
Total Exports	1,150	669	1,053	985	1,107	1,178	1,560	1,332	951	1,188	1,068	861	1,128·3
Mill consumption*	865	815	731	724	729	763	636	564	500	454	391	392	588·4
GRAND TOTAL	2,015	1,484	1,784	1,709	1,836	1,941	2,196	1,896	1,451	1,642	1,459	1,253	1,716·7

* Estimated for Bombay Island mills.

With the second largest crop on record, after a very small one, an increase in the exports to *Europe* was to be expected, but the actual quantity shipped was fully 100,000 bales under what was looked for with an anticipated supply of 2,100,000 bales. To the *United Kingdom* 72,000 bales were despatched as compared with only 28,000 bales in the previous season, but a mean in the preceding decade of 225,000 bales. To the *Continent* 728,000 bales were sent, as against 498,000 bales in the last season and a decennial average of 806,300 bales. Total to *Europe* 800,000 bales compared with 526,000 and 1,031,000 bales the respective shipments of the previous season and the average of the preceding decade. The trade with *China*, too, is looking up again. Three seasons back it appeared to have quite died out, less than 1,700 bales being exported to Hongkong, but the following one there was a revival and 5,550 bales went to this colony, while in the past twelve months over 18,000 bales have gone to the Celestial Empire, of which 990 bales have been shipped to the recently-started mills in Shanghai. The large increase in the spinning power of *Japan*, coupled with an augmented demand—with a smaller crop available—for Chinese cotton at the northern ports of that Empire, has resulted in an enormous expansion in the trade with this Island in Indian, and especially Bombay, staples.

It is interesting to compare the proportions in which the exports were despatched last season; the previous one; in 1889-90; and in the decennial period ending with 1893-94:

	1895-96.	1894-95.	1889-90.	1884-85 to 1893-94.
	Per cent.	Per cent.	Per cent.	Per cent.
Exported to				
Great Britain	6'3	4'2	23'7	19'9
Continent of Europe	63'3	74'4	71'7	71'4
Japan and China	26'5	14'2	2'5	5'3
Calcutta and coast ports	3'9	7'2	2'1	3'4
TOTAL	100'	100'	100'	100'

While Japan has been buying so freely of late of our raw material, China has been equally a large purchaser of our yarns, the dealings in which have been, for some time past, on an unprecedented scale. Most, if not, all the Bombay Island mills have sold their entire production for some months ahead, some to the end of the calendar year and a few of the favourite ones into March-April 1897,—nine to ten months ahead! We do not assert that the Chinese have secured all this large quantity, but their free purchases of late in Hongkong and Shanghai have induced the large Jewish Bombay-China firms to contract so freely with the Bombay mills in anticipation of their future requirements. As the value of cotton has given way materially since the bulk of these purchases were made, it is needless to say the Bombay mills are having a better time than for years past. That new ones are being projected is but natural, but that the number rumour places the new local concerns at is correct we do not believe,—four or five at the most seriously being arranged for.

As usual there is considerable difference of opinion regarding the local mill consumption in the past twelve months. We are inclined to place it at 865,000 bales, an increase of 50,000 bales on the previous season. If correct, the quantity of cotton locally consumed and exported reached an aggregate of 2,015,000 bales=42'9 per cent to 57'1 per cent—or within 135,000 bales of the second largest supply ever received at Bombay.

We annex a table shewing the actual clearances to each European port in the past two seasons, as also the exports to the Far East, to Calcutta, and to the coast ports.

Ports to which Bombay exported Cotton in 1894-95 and 1895-96.

Ports.	1894-95.			1895-96.			+ Increase, or - Decrease, 1894-95.
	July to December 1894.	January to June 1895.	Total Bales.	July to December 1895.	January to June 1896.	Total Bales.	
Liverpool	2,731	23,447	26,178	6,699	62,992	69,691	+ 43,513
London	82	617	699	94	95	189	- 510
Hull	100	1,040	1,140	905	1,445	2,350	+ 1,210
Marseilles	925	1,665	2,590	3,105	6,760	9,865	+ 7,275
Håvre	1,919	23,945	25,864	6,495	41,389	48,384	+ 22,520
Dunkirk	3,285	19,305	22,650	7,222	36,525	43,747	+ 21,097
Rouen	...	600	600	700	1,900	2,600	+ 2,000
Antwerp	9,030	77,660	86,690	31,570	107,685	139,255	+ 52,565
Ghent	...	735	735	1,489	4,291	5,780	+ 5,045
Bremen	220	4,665	4,885	778	11,323	12,101	+ 7,216
Hamburg	11,498	88,832	100,330	29,491	102,370	131,864	+ 31,534
Barcelona	160	8,775	8,935	500	9,700	10,200	+ 1,265
Gothenburg	...	...	...	...	700	700	+ 700
Genoa	6,560	52,500	59,060	19,297	75,671	94,968	+ 35,908
Naples	6,550	6,950	13,500	3,100	6,050	9,150	- 4,350
Venice	10,577	32,393	42,880	20,041	28,217	48,258	+ 5,378
Trieste	8,567	116,103	124,670	32,404	136,176	168,580	+ 43,910
Fiume	...	220	220	550	1,320	1,870	+ 1,650
Piræus	...	600	600	...	...	...	- 600
Odessa	3,150	...	3,150	...	600	600	- 2,550
Total United Kingdom	2,913	25,104	28,017	7,698	64,532	72,230	+ 44,213
Total Continent	62,441	434,918	497,359	156,745	571,177	727,922	+ 230,563
Total Europe	65,354	460,022	525,376	164,443	635,709	800,152	+ 274,776
China	3,986	1,566	5,552	3,336	14,752	18,088	+ 12,536
Japan	16,023	73,257	89,280	65,774	220,574	286,348	+ 197,068
Ceylon, etc.	201	717	918	150	271	421	- 497
Calcutta and coast ports	26,094	20,761	46,855	19,323	25,232	44,555	- 2,300
Total Exports	111,658	556,323	667,981	253,026	896,538	1,149,564	+ 481,583

We append the annexed table shewing the average monthly fluctuations in the prices of Fine Broach, F. G. Oomras (good staple), Fine Dholeras, and Fine Bengals during the past season, as well as the monthly mean rates ruling for cotton freights hence to Liverpool as well as to Trieste and Venice, and for exchange for clean mercantile bills on London at the usual usance.

Broach.—Early in July 1895 *Fine* was sold for March 1896 delivery at Rs. 222, rose to Rs. 261 by the end of August, then fell back, but touched Rs. 269 by the middle of October. By the second week of March Rs. 200 was the ready rate—a range in the season of Rs. 61 per candy, equal to a drop from the maximum of 22.6 per cent.

Freights opened at about 15s. ready to 16s. forward, dropped in October to 12s. for Liverpool and 15s. to the Adriatic, but was 14s. to both quarters at the close of the year. In the past six months rates steadily gave way till at the close 8s. ready and 7s. forward was quoted for most ports, 10s. and 11s. respectively for Trieste and Venice, and 5s. and 6s. 9d. for Marseilles.

Exchange.—Three months' sight mercantile bills were placed in July 1895 at from 1s. 1 $\frac{5}{8}$ d. to 1s. 1 $\frac{7}{8}$ d.; rose steadily during the rest of the year till 1s. 2 $\frac{1}{8}$ d. was quoted for the last mail in December, and 1s. 2 $\frac{3}{8}$ d. early in March. Then came a steady decline to 1s. 1 $\frac{3}{8}$ d. by the middle of May, followed by a rise to the end of June of 1s. 2 $\frac{3}{8}$ d. a range between the maximum and minimum rates equal to a rise of say 1 $\frac{1}{2}$ d.

Fluctuations in Prices of Cotton at Bombay in 1895-96, also of Freights and Exchange.

Season 1895-96.			FINE BROACH.		F. G. OOMRAS.		FINE DHOLLERA.		FINE BENGALS.		COTTON FREIGHTS TO LIVERPOOL, TRIESTE, AND VENICE.				Exchange on London 3 months' credits.
			Ready.	Forward.	Ready.	Forward.	Ready.	Forward.	Ready.	Forward.	Ready.	Forward.*	Ready.	Forward.*	
											s. d.	s. d.	s. d.	s. d.	s. d.
July	1895	. . .	...	†225	182	...	195	...	170	...	15 0	15 0	15 3	15 9	1 1½
August	"	. . .	...	†244	192	...	206	¶227	180	**203	15 0	14 6	15 0	15 3	1 1½
September	"	. . .	...	†254	||203	...	218	¶229	191	**208	14 3	14 0	11 9	...	1 1½
October	"	. . .	...	†264	||221	§235	232	¶243	206	**224	14 9	...	14 0	...	1 1½
November	"	. . .	...	†253	...	§222	||234	¶234	195	**205	13 0	...	15 0	...	1 1½
December	"	. . .	...	†242	...	§210	...	¶225	187	**190	14 6	...	15 0	...	1 1½
January	1896	. . .	225	†235	206	§206	215	¶220	179	*181	13 3	...	12 9	...	1 2½
February	"	. . .	217	†223	190	§197	204	¶208	169	*171	14 3	...	14 0	...	1 2½
March	"	. . .	204	*207	192	*191	198	¶200	168	*170	12 3	11 0	13 6	11 3	1 2½
April	"	. . .	209	*209	192	*192	198	¶199	168	*169	10 0	10 0	11 0	10 6	1 2½
May	"	. . .	212	...	189	...	197	...	175	...	8 9	9 0	12 0	10 6	1 2
June	"	. . .	204	‡196	177	...	188	...	161	...	8 3	7 9	10 6	11 0	1 2½

* Delivery 1 to 2 months forward; † March 1896; ‡ March 1897; § January—February 1896; || Normal; ¶ April—May 1896; ** January 1896.

These monthly averages are deduced from the weekly quotations of the Bombay Chamber of Commerce. The prices quoted for cotton are in rupees per candy of 784 lbs. [or two bales of 3½ cwt. each]. Freights in shillings per ton of 40 cubic feet, and exchange the average rate per rupee for three months' sight mercantile paper on London.

Cotton cultivation in India [in thousands of acres, and bales at 400 lbs. each; 000's omitted].

Provinces.	AREA.							YIELD.						
	1895-96.	1894-95.	1893-94.	1892-93.	1891-92.	1890-91.	Average.	1895-96.	1894-95.	1893-94.	1892-93.	1891-92.	1890-91.	Average.
Bombay Presidency	5,178	5,293	5,915	5,284	5,157	5,813	5,362	932	783	961	1,087	934	1,004	1,026
Sind	108	114	116	70	104	109	91	41	47	64	22	33	27	40
Total Bombay	5,286	5,407	6,031	5,354	5,261	5,922	5,453	973	830	1,025	1,109	967	1,031	1,066
Panjab	1,161	1,125	948	540	497	840	823	242	232	201	118	112	177	170
North-Western Provinces and Oudh	1,299	1,492	1,312	1,045	1,251	1,580	1,480	201	142	180	118	118	254	173
Bengal	198	204	216	232	251	219	228	32	33	28	31	46	40	35
Rajputana	515	619	618	500	517	656	616	151	185	172	133	117	180	180
Ajmere and Merwara	*35	*35	63	37	38	26	35	*8	*8	10	10	12	8	11
Central India	442	513	295	304	286	326	325	99	114	96	48	48	66	85
Berar	2,057	2,103	2,185	2,187	2,244	2,443	2,229	191	116	170	187	302	357	161
Central Provinces	611	602	691	652	682	714	636	116	81	80	86	52	80	77
Hyderabad	1,508	1,456	1,501	1,179	1,522	2,300	1,574	164	229	242	158	369	375	232
State Jageers†	850	800	856	946	966	275	812	170	236	295	300	115	113	231
Total	2,358	2,256	2,357	2,125	2,488	2,575	2,386	334	465	537	458	484	488	463
Madras	1,540	1,521	1,724	1,326	1,318	1,465	1,495	138	107	121	103	80	115	187
Government Zemindari†	250	250	310	265	264	572	370	162	149	172	129	116	163	90
Total	1,790	1,771	2,034	1,591	1,582	2,037	1,865	300	256	293	232	196	278	277
Mysore	*55	*55	71	55	36	55	54	*7	*7	9	7	5	7	7
Assam	*35	*35	*35	50	30	35	35	*10	*10	*10	14	6	9	4
Burma	*10	*10	10	16	17	10	10	} *25						
Lower														
Upper	*135	*135	138	138	110	142	125							
Official Return	14,617	15,042	15,399	13,017	11,730	13,175	14,533	2,303	2,069	2,033	1,914	1,497	2,031	2,246
Added by ourselves	1,370	1,320	1,605	1,809	3,560	4,405	1,767	462	520	803	662	993	974	498
GRAND TOTAL	15,987	16,362	17,004	14,826	15,290	17,580	16,300	2,765	2,589	2,836	2,576	2,490	3,005	2,744

* Estimated.

† Added by ourselves on the bases of official estimates.

We add our estimates, in quinquennial periods, of the crops of the past three-and-thirty years :

1863-64 to 1867-68	average annual crop	2,064,000	bales of 400 lbs.
1868-69 „ 1872-73	„	2,176,000	„
1873-74 „ 1877-78	„	1,944,000	„
1878-79 „ 1882-83	„	2,096,000	„
1883-84 „ 1887-88	„	2,523,000	„
1888-89 „ 1892-93	„	2,979,000	„
1893-94	crop this season	2,995,000	„
1894-95	„	2,656,000	„
1895-96	„	3,296,000	„
(1889-90 largest recorded)	„	3,361,000	„

Hides and skins.—The exports of the last five years have been as follow :

<i>Hides.</i>			<i>Skins.</i>		
	No.	Rx.		No.	Rx.
1891-92 .	6,707,397	1,723,884		6,715,953	643,159
1892-93 .	6,739,740	1,761,469		8,477,905	876,703
1893-94 .	7,409,879	1,948,482		6,370,835	618,968
1894-95 .	8,050,886	2,088,918		7,674,551	790,658
1895-96 .	8,244,530	2,610,344		8,173,037	1,017,949

The trade was active in 1894-95 and still more so last year. At Calcutta, where the bulk of the hide trade is conducted, the exports were almost about the same as in 1894-95, but there was a considerable increase in the trade at both Karáchi and Rangoon, resulting in both cases partly from the unfavourable meteorological conditions which induced heavy cattle-mortality and partly from a large rise in prices in Europe caused by speculative dealings by Americans who bought up all available stocks everywhere. A large proportion of this trade (more than a third last year) consists of exports to Germany. The exports of skins, like those of hides, are also concentrated mainly in Calcutta, and nine-tenths of the shipments are to the United States. In this trade there was active business accompanying a sharp rise in prices.

Jute.—The exports in the last fourteen years were as follows (cwt., 000's omitted) :

	Cwt.	Rx.		Cwt.	Rx.
1882-83 .	10,349	5,846,926	1889-90 .	10,256	8,639,861
1883-84 .	7,018	4,592,635	1890-91 .	11,986	7,602,010
1884-85 .	8,369	4,661,368	1891-92 .	8,532	6,848,493
1885-86 .	7,782	4,355,362	1892-93 .	10,537	7,944,223
1886-87 .	8,307	4,869,815	1893-94 .	8,690	8,524,130
1887-88 .	9,643	6,040,379	1894-95 .	12,977	10,575,977
1888-89 .	10,553	7,897,154	1895-96 .	12,267	9,992,861

The quantity exported in 1894-95 was the largest on record, and the shipments of last year were but little below that high level. A glance at the foregoing figures will shew how greatly the prices of jute have advanced in recent years under the influence of a constant demand from Dundee and elsewhere, as well as from the Bengal jute mills, for an article which is practically a monopoly of cultivation and trade in Bengal. The rise of price will be seen by reference to the table printed on page 28 of this paper, the table also shewing the remarkable fluctuations to which jute prices are subject.

The area sown with jute in 1895 was estimated at $2\frac{1}{4}$ million acres, and the crop is reported to have been even larger than that of 1894, which was a remarkably good one.

The destination of the jute has been as follows in the last three years (cwt., 000's omitted) :

	1893-94.	1894-95.	1895-96.
United Kingdom . . .	5,469	6,842	7,334
United States . . .	854	2,167	1,577
Germany . . .	1,171	2,380	1,755
France . . .	335	558	545
Italy . . .	255	363	344
Austria-Hungary . .	297	423	373
Spain . . .	125	179	196

Manures.—The trade was maintained at practically the level of 1894-95, a very high level. It consisted as usual almost entirely of bones; and, as noted last year, the trade has become one of some importance. The exports amounted to 79,402 tons, value Rx. 460,404.

Rice-bran.—This is a trade in an article which, like bones, was a few years ago a waste product. It would doubtless be more advantageous to the country if the bones were used for the nourishment of Indian soil and the bran for the nourishment of Indian cattle; but, failing such a demand for these articles, it is well that there is a foreign demand for them for the same purposes, with the result that India gets some, if not full, value out of them. There were 92,017 tons of rice-bran exported last year, value Rx. 208,926.

Seeds.—Exports—

	Cwt. (000's omitted.)	Rx.		Cwt. (000's omitted.)	Rx.
1883-84 .	17,355	10,083,758	1889-90 .	15,795	10,627,553
1884-85 .	18,251	10,745,203	1890-91 .	14,799	9,343,252
1885-86 .	17,280	9,948,350	1891-92 .	19,164	12,208,458
1886-87 .	15,866	9,198,560	1892-93 .	16,509	11,631,015
1887-88 .	16,060	9,385,024	1893-94 .	24,229	16,753,251
1888-89 .	15,570	9,561,756	1894-95 .	20,887	14,201,520
			1895-96 .	13,672	9,717,431

The trade in the principal kinds of oilseeds was as follows in the last eight years (cwt., 000's omitted) :

	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.
Castor .	586	895	860	836	989	1,108	1,175	1,048
Earthnuts .	828	1,394	1,525	1,530	1,525	1,537	2,267	1,118
Linseed .	8,461	7,147	8,077	10,867	7,818	10,245	9,016	5,629
Poppy .	730	483	678	616	502	846	586	738
Rape .	3,061	3,904	1,555	2,616	2,802	7,319	4,754	2,250
Til or jinjili .	1,537	1,775	1,847	2,302	2,555	2,424	2,325	2,461

The trade fell to a lower level, as regards quantity, than was seen for thirteen years, though in one year (1890-91) the value of the exports was a little smaller. The trade in rapeseed and linseed, after two good years, fell to a very low level, the result of an extensive failure of crops in India which did not materially raise prices in Europe and the United States, for coincidentally with our bad crops there were excellent crops in Europe and Argentina. The exports of earthnuts also underwent very heavy contraction, for the same reason of small crops. In other kinds of oilseeds the fluctuations are not of a special character.

A new feature in the trade in seeds is the increasing export of teaseed, amounting to 3,238 cwt., value Rx. 36,006. The bulk of it was shipped to Ceylon, and small quantities went to Java, the Straits, also to Russia (where the experimental cultivation of tea is being tried in the Caucasus—with little success apparently) and Natal, where also tea is being tried with better success than in Russia.

Silk.—Exports are as follow, in lbs. (ooo's omitted) :

	Reeled.	Chasam (waste).	Cocoons.	Total value in Rx.
1891-92 . . .	519	1,012	132	518,627
1892-93 . . .	655	1,088	77	617,574
1893-94 . . .	613	1,081	77	698,099
1894-95 . . .	511	794	26	502,009
1895-96 . . .	708	1,072	12	642,169

Exports rose to a high level. A trade circular reports that the marked feature of the silk trade in 1895 was the very large consumption everywhere, and that Bengal silk was in good demand throughout the year. With the revival in ordinary (mulberry) silk there was also a revival in the exports of wild silk (*tasar* and other species) which in 1894-95 had fallen to an extremely low level.

Teak timber.—Exports for the last eight years :

	Cubic tons.	Rx.
1888-89 . . .	52,609	575,263
1889-90 . . .	71,342	762,998
1890-91 . . .	42,803	425,303
1891-92 . . .	48,190	474,852
1892-93 . . .	58,350	570,102
1893-94 . . .	45,964	457,447
1894-95 . . .	56,495	570,130
1895-96 . . .	63,516	670,974

The increase in the trade, which followed on an increase in the preceding year, is attributed mainly to the increase in naval construction, and also to an enlarged use of teak for railway and shipping purposes. It is stated that the active competition of Siamese teak is keeping down the price of Burma teak in Europe, but the latter is of much better quality.

Wool.—Exports in the last five years :

	lbs. (ooo's omitted.)	Rx.
1891-92 . . .	22,314	1,013,864
1892-93 . . .	24,718	1,116,578
1893-94 . . .	24,249	1,079,772
1894-95 . . .	31,150	1,376,850
1895-96 . . .	31,042	1,355,108

The unusually high level of the trade in 1894-95 was maintained last year, the European trade being very active in consequence of a great revival of demand from the United States.

ARTICLES MANUFACTURED AND PARTLY MANUFACTURED.

The following figures indicate the relative proportions of each principal class of manufactures in the last five years :

	1891-92. Rx.	1892-93. Rx.	1893-94. Rx.	1894-95. Rx.	1895-96. Rx.
Cotton yarn and goods .	7,035,036	8,100,658	6,242,558	7,148,679	8,344,587
Jute goods . . .	2,513,100	3,237,993	3,441,787	4,210,834	4,747,443
Silk goods . . .	183,957	197,178	242,417	167,198	183,399
Woollen goods . . .	94,788	120,080	146,662	151,342	182,885
Tanned hides and skins	2,818,959	2,953,762	3,233,877	3,680,364	4,011,185
Lac . . .	750,531	780,163	952,149	1,394,908	1,826,206
Coir goods . . .	244,929	232,279	213,782	222,461	313,126
Apparel . . .	119,204	145,426	130,197	178,169	208,283

Apart from the spinning and weaving of cotton, the weaving of jute, and the tanning of skins, it is evident that the products of Indian manufacturing industry have as yet but a limited outlet beyond India, though during the last two years there has been a noticeable expansion in the exports of shell-lac, raising the dimensions of that trade to a substantial figure.

Cotton yarn.—The exports of the last ten years have been :

	lbs. (000's omitted.)	Rx.		lbs. (000's omitted.)	Rx.
1886-87	91,804	3,336,861	1891-92	161,253	5,771,033
1887-88	113,451	4,077,386	1892-93	189,175	6,773,482
1888-89	128,907	5,207,100	1893-94	134,066	4,974,133
1889-90	141,950	5,748,732	1894-95	158,854	5,672,024
1890-91	169,275	6,543,364	1895-96	184,362	6,730,836

The trade is much the largest on record with the exception of the year 1892-93, when the exports were, in consequence of speculation, excessive and entirely out of proportion to the extent of the offtake in the importing markets. It is very satisfactory to note the complete recovery of this trade and its restoration to a sound and healthy position, and to know that its vigour continues unabated during the present year.

Cotton piece-goods.—The exports of cotton piece-goods (grey, white, and coloured) in the same period of ten years have been :

	Yards. (000's omitted.)	Rx.		Yards. (000's omitted.)	Rx.
1886-87	53,360	878,288	1891-92	73,351	1,132,182
1887-88	69,435	1,063,099	1892-93	79,678	1,222,349
1888-89	70,244	1,083,222	1893-94	72,715	1,173,698
1889-90	59,462	911,179	1894-95	85,247	1,360,007
1890-91	67,639	1,040,414	1895-96	91,041	1,463,035

In these goods also the recovery from the depression which marked the year 1894-95 has been fully maintained; and the exports have reached a high level. The activity of trade has continued so far in the present year, though the weaving mills are complaining that they have not been doing well.

The distribution of the exports of yarns and piece-goods in the last two years has been as follows. It will be noted that in the case both of yarns and piece-goods the increase of trade has been with China, and that an unusually large quantity of piece-goods was sent to that country :

	Yarn, lbs. (000's omitted.)		Piece-goods, yards. (000's omitted.)	
	1894-95.	1895-96.	1894-95.	1895-96.
China	145,178	174,710	9,649	21,492
Japan	2,614	1,208	60	69
Aden	2,382	1,573	18,839	15,345
Straits	5,133	3,964	8,159	5,966
Asiatic Turkey	1,325	734	4,185	3,034
Java	118	247	...	57
Arabia	526	511	4,418	3,506
Persia	933	993	1,870	1,689
East Coast of Africa (Mozambique and Zanzibar)	81	115	21,154	20,503
Abyssinia	20	...	6,487	6,337
Ceylon	86	46	6,625	6,823
Mekran and Sonmiani	1	1	1,171	1,731
Other countries	457	260	2,630	4,489

The reduction in the export of yarn to Japan, which again attracts attention, is the natural result of the establishment of spinning mills in Japan, but the loss of this trade has been much more than replaced by a larger trade in the export to Japan of the raw material required to feed the spinning mills of that country.

The following figures shew the proportion of the different kinds of piece-goods in the export trade (yards, 000's omitted) :

	1893-94.	1894-95.	1895-96.
Grey (unbleached) . . .	57,761	68,385	75,264
White (bleached) . . .	142	297	146
Coloured, printed, or dyed . .	14,812	16,565	15,631

The total value of the yarns exported amounted to Rx. 6,730,836, the exports from Bombay being represented by a value of Rx. 6,296,060, or over 93 per cent of the whole.

The value of the cotton goods exported amounted to Rx. 1,613,750, the proportion shipped from Bombay being in this case much smaller than in the case of yarns, amounting to Rx. 989,767, or 61 per cent. Madras does a considerable trade in these goods (especially in dyed goods), the value of the trade of that province being Rx. 581,689, or about 36 per cent of the whole.

As regards the condition of the industry, the Bombay Millowners' Association write in their annual report :

"The committee are glad to be able, so far as spinning mills are concerned, to make a much more gratifying report than for some considerable time past. In 1893 the trade was depressed to an almost unparalleled degree by the currency legislation and afterwards by the war between China and Japan. During 1894, however, an improvement set in, and this has steadily gained ground throughout the past year. Up to the 30th June 1895, the better condition of trade had not been sufficient to induce the erection of any new mills in Bombay itself, although existing concerns had added 96,518 spindles and 1,952 looms during the twelve months; but six additional mills were either started or in course of erection throughout India, making a total addition of 160,193 spindles in all."

The progress of the spinning and weaving industry in the last five years is shewn in the table appended :

Year.	Number of mills.	Number of spindles.	Number of looms.
1891-92 . . .	127	3,268,524	24,670
1892-93 . . .	130	3,378,303	26,317
1893-94 . . .	137	3,539,681	29,392
1894-95 . . .	144	3,711,669	34,161
1895-96 . . .	148	3,910,143	37,078

The mills are thus located :

	Mills.	Spindles.	Looms.
Bombay Presidency . . .	102	2,779,816	28,995
Bengal (suburbs of Calcutta) . .	9	345,340	None.
Madras . . .	11	254,372	1,638
North-Western Provinces . . .	5	167,018	1,975
Panjab (Delhi) . . .	3	37,804	351
Central India (Indore) . . .	1	26,036	464
Central Provinces . . .	6	108,389	1,700
Ajmere-Merwara . . .	1	12,312	250
Hyderabad . . .	3	52,740	629
Berar . . .	1	20,100	234
Mysore . . .	2	29,784	210
Pondichery . . .	3	51,432	624
Travancore . . .	1	25,000	8

The extension of the industry in 1895-96 was not large, but it is stated that eleven mills are in construction or projected.

About 146,000 persons are stated to have been employed in the mills at the end of 1895-96, and the capital invested is returned at over Rx. 12,600,000; but several of the mills, private concerns, make no return of their capital, the figures being confined to mills worked by joint-stock companies.

The Bombay Presidency contains 71 per cent of the spinning and 78 per cent of the weaving capacity of the Indian mills. Out of the 102 mills in that Province 68 are located in the city and island of Bombay. These 102 mills employ an average of about 101,000 persons daily. The capital invested in them (that is, in those of them which are joint-stock companies) is Rx. 8,765,000.

The industry has had a somewhat exciting time in the matter of fiscal treatment. In December 1894 an excise duty was imposed upon cotton yarns of counts higher than No. 20 to countervail the import duty which was levied upon all yarns and woven goods. The representatives of the manufacturing interests of Lancashire speedily raised an agitation for either the repeal of the import duties or for the modification of the excise duties, which they alleged were not so adjusted as to remove the element of protection. As a result of the agitation the import duty on yarn was repealed in February last and the import duty on other cotton goods was reduced to $3\frac{1}{2}$ per cent, and, as the counterpart of these measures, the excise duty on yarns spun in the Indian mills was repealed and an excise of $3\frac{1}{2}$ per cent imposed upon all fabrics woven in the mills.

One useful effect of these laws was to enable the Government to obtain statistics of the production of yarns in the Indian mills, which had never previously been obtained before in any complete shape. The figures are stated below for the period from 27th December 1894 to 31st December 1895:

	Yarn of No. 20 and under.	Yarn of over No. 20	Total.	Percentage of whole production.	Percentage of yarn over 20 to yarn of 20 and under.
	lbs.	lbs.	lbs.		
Bombay	282,902,673	35,813,923	318,716,596	74·1	12·6
Madras	27,285,795	1,076,553	28,362,348	6·6	3·9
Bengal	38,286,790	538,106	38,824,896	9	1·4
North-Western Provinces and Oudh	18,780,860	303,470	19,084,330	4·5	1·6
Panjab	3,935,913	252,345	4,188,258	1	6·4
Central Provinces	16,270,214	1,335,847	17,606,061	4·1	8·2
Berar	1,552,802	234,289	1,787,091	·4	15·1
Ajmere-Merwara	1,297,132	135,885	1,433,017	·3	10·5
TOTAL	390,312,179	39,690,418	430,002,597	100	10·2

The statistics of woven goods are now being collected as well as the statistics of yarns, and will be published in due course. The figures given above shew that 74 per cent of the whole production of yarn came from the Bombay mills, and that they produced 90 per cent of the finer counts of yarn—that is, of yarn of higher counts than No. 20. The statistics do not include mills in Native States or in the French-Indian Possessions, but their exclusion does not materially affect the ratios.

Jute.—The value of the exports of manufactured jute in the last ten years has been :

	Rx.		Rx.
1886-87 .	1,151,858	1891-92 .	2,513,100
1887-88 .	1,746,360	1892-93 .	3,237,993
1888-89 .	2,571,478	1893-94 .	3,441,787
1889-90 .	2,791,242	1894-95 .	4,210,834
1890-91 .	2,481,961	1895-96 .	4,747,443

The exports of gunny bags and cloths have been as follow, 000's omitted in both cases :

	Bags. No.	Cloth. Yards.		Bags. No.	Cloth. Yards.
1886-87 .	64,570	12,799	1891-92 .	106,251	37,289
1887-88 .	74,368	13,683	1892-93 .	123,975	40,060
1888-89 .	99,791	15,161	1893-94 .	131,267	60,670
1889-90 .	97,416	37,144	1894-95 .	143,444	103,117
1890-91 .	98,749	29,854	1895-96 .	168,247	114,181

The destinations of the bags have been (number, 000's omitted) :

	1894-95.	1895-96.
United Kingdom	27,951	23,888
United States	25,882	30,821
Australia	27,959	24,377
China	6,656	14,378
Straits	15,623	21,887
South America	12,054	14,634
Cape Colony	3,771	7,335
Egypt	4,495	5,338
Germany	2,366	4,786
Asiatic Turkey	3,700	4,886
Other countries	12,987	15,917

Trade was active and profitable, following on an active and profitable trade in 1894-95, and the mills passed through another prosperous year. The briskness of trade induced a material expansion in looms and spindles in the Bengal jute mills, as will be seen from the figures below :

	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.
No. of mills	25	25	26	26	26
„ of looms	8,543	8,814	9,417	9,635	10,166
„ of spindles	171,134	177,718	189,080	192,759	207,807
„ of persons employed					
—daily average	65,001	66,013	67,931	72,182	75,902
Nominal capital (figures incomplete)	Rx. 3,104,500	3,409,950	3,444,930	3,596,225	3,940,875

To these should be added a new mill started at the French settlement of Chandernagore, about twenty miles from Calcutta, and it is understood that one or more other mills are about to be built.

Though the manufacture of bags is still the largest part of the industry, the manufacture of cloth has taken great strides, and, as the figures stated above shew, the exports of cloth have increased in a very remarkable degree, threefold

in five years. The destination of the cloth during the last two years was as follows :

	1894-95. Yards.	1895-96. Yards.
United States . . .	80,247,694	81,783,876
United Kingdom . . .	15,693,708	16,956,926
China	3,087,550	4,025,900
Germany	586,500	4,521,500
Ceylon	1,002,500	1,112,033
Other countries . . .	2,498,775	5,780,583

Silk manufactures.—The trade in these articles is of a fluctuating and uncertain character, with no decided tendency to increase. The value of the trade, which consists chiefly of piece-goods exported to the United Kingdom and France, has been as follows in the last five years :

	Rx.
1891-92 . . .	183,957
1892-93 . . .	197,178
1893-94 . . .	242,417
1894-95 . . .	167,198
1895-96 . . .	183,399

A considerable proportion of the goods exported is shipped from Bengal and consists of what are known in the trade as *corahs*, which are dyed or printed in Europe. The manufactures of the silk mills in Bombay and Calcutta seek and find but a small market beyond Indian limits.

Woollen manufactures.—In these, unlike silk manufactures, there has been an uninterrupted increase during the last five years :

	Rx.
1891-92 . . .	94,788
1892-93 . . .	120,080
1893-94 . . .	146,662
1894-95 . . .	151,342
1895-96 . . .	182,885

The exports consist mainly of carpets and rugs, the value of which last year represented Rx. 154,153, being five-sixths of the whole value. These carpets, which are most largely exported to the United Kingdom, are all made in hand-looms, to some extent in the large prisons, the finest productions of these being taken for the United States. The Indian woollen mills do not engage in carpet-weaving, but it would seem that that industry might with advantage be taken up by them, for there is a large demand for these articles for local use in India as well as for export, and the ordinary descriptions of carpets and rugs which are made in the bazars are too frequently badly made, cotton being freely used, and unhandsome in design and colour. The application of capital and artistic skill and taste to the designing, weaving, and colouring of these fabrics, would probably create a large demand for them from abroad as well as in India.

Coir manufactures.—There was a large recovery last year from the low figures of the two preceding years, and the trade was indeed higher than it ever was, the total value amounting to Rx. 313,126.

Tanned hides and skins.—In these articles also the development of trade in the year was very marked, and its dimensions, stated below, are now important :

	Cwt.	Rx.
1891-92 . . .	290,401	2,818,959
1892-93 . . .	297,875	2,953,762
1893-94 . . .	266,465	3,233,877
1894-95 . . .	315,035	3,680,364
1895-96 . . .	367,721	4,011,185

Lac.—Under the continued stimulus of high prices, which ruled through part of last year as they had done during the two preceding years, the exports of lac again very largely increased :

	Cwt.	Rx.
1891-92	137,466	750,531
1892-93	125,613	780,163
1893-94	121,417	952,149
1894-95	159,238	1,394,908
1895-96	201,671	1,826,206

During the present year there has, so far, been a pause, the exports not equalling those in the corresponding portion of last year, and it is possible that the trade may be on a reduced scale. It is, however, a very speculative and uncertain business, though there is a large demand for the article for the manufacture of varnish and sealing-wax, the stiffening of tall hats, and other purposes.

Oilcake.—This has made a further advance during the year :

	Cwt.	Rx.
1891-92	402,090	104,520
1892-93	390,862	118,495
1893-94	469,866	140,378
1894-95	461,876	140,266
1895-96	557,734	175,055

Of other manufactured articles the following may be mentioned, with their value last year :

	Rx.
Apparel	208,283 (of which boots and shoes stand for Rx. 36,665).
Works of art	22,556
Books and printed matter	40,886
Cabinetware and furniture	48,094
Cordage and rope	43,444
Jewellery and jewels and plate	39,904
Perfumery	11,433
Toys and requisites for games	25,488
Wood	28,790
Articles exported by post	171,465

General distribution of the export trade.—The total value of the exports of Indian produce and manufactures in the last two years was thus distributed among the principal countries with which the trade is carried on :

	1894-95.		1895-96.	
	Rx.	Per cent.	Rx.	Per cent.
1. United Kingdom	32,795,328	31.6	35,000,899	31.9
2. China	12,548,725	12.1	13,778,103	12.6
3. France	8,660,680	8.3	8,664,871	7.9
4. Germany	7,718,877	7.4	8,054,374	7.3
5. United States	5,838,449	5.6	5,907,092	5.4
6. Straits Settlements	5,238,985	5	5,845,931	5.3
7. Egypt	4,627,748	4.5	5,175,741	4.7
8. Belgium	3,786,302	3.6	3,941,490	3.6
9. Ceylon	3,262,299	3.1	3,500,082	3.2
10. Austria-Hungary	2,438,977	2.3	3,344,489	3.5
11. Italy	2,980,601	2.9	3,122,050	2.8
12. Japan	1,663,701	1.6	2,789,436	2.5
13. South America	1,621,060	1.6	1,182,021	1.8
14. Australia	1,325,522	1.3	1,213,368	1.1
15. Mauritius	1,243,143	1.2	1,092,737	1
16. Holland	1,431,033	1.4	769,048	.7

Our export trade to the Continent was Rx. 28,667,000, the exports to the United Kingdom being substantially larger,—namely, Rx. 35,001,000.

CHAPTER III.

TRADE WITH COUNTRIES.

In the subjoined table are given the figures of our trade (merchandise only) with the several divisions of the world during the last five years :

	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.
	Rx.	Rx.	Rx.	Rx.	Rx.
Europe	117,156,570	111,652,397	127,232,811	119,472,701	120,318,447
Africa and adjacent islands	12,388,786	9,882,659	9,087,008	10,623,435	10,937,210
Asia	37,413,865	38,947,566	36,093,039	38,419,942	42,390,526
America	6,402,833	7,301,177	6,724,435	8,892,135	8,481,110
Australia	1,261,413	1,357,228	1,267,254	1,574,224	1,452,242
TOTAL	174,623,467	169,141,027	180,404,547	178,982,437	183,579,535

The exceptional conditions which, in 1893-94, favoured large imports from European countries, inflated the figures of that year to dimensions which have not since been reached. The contraction of last year in the importations of cotton piece-goods is reflected in the figures above, which—most other articles but cotton goods having increased—are but little in excess of those of 1894-95. With Asiatic countries the figures indicate a very satisfactory recovery and complete emergence from the temporary depression which followed an overdone trade with China and the closure of the mints in 1893-94.

With African countries, and with the American Continent also, the figures of the trade remain satisfactorily large. With Australia alone our trade does not seem to make progress.

The following table shews the value of the merchandise interchanged in the last five years with the principal countries with which we have commercial relations :

	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.
	Rx.	Rx.	Rx.	Rx.	Rx.
1. United Kingdom	82,812,412	77,317,138	86,644,115	84,939,773	83,304,186
2. { China—Hongkong	11,446,502	11,501,325	9,087,975	9,882,270	9,967,564
" Treaty Ports	5,254,136	5,894,671	5,583,903	5,476,135	6,787,583
3. Germany	6,616,134	7,979,400	9,362,511	9,455,115	10,413,292
4. France	12,009,283	10,142,280	11,832,573	9,542,135	9,657,413
5. Straits Settlements	7,602,766	7,120,759	7,366,762	7,732,042	8,285,028
6. United States	5,079,207	5,662,279	5,376,091	6,948,838	7,053,334
7. Belgium	6,790,285	6,074,482	7,780,248	5,661,907	6,682,124
8. Egypt	7,310,940	5,028,788	3,893,999	4,951,332	5,457,849
9. Austria-Hungary	3,020,103	3,643,285	4,320,831	3,037,481	4,675,377
10. Ceylon	3,395,541	3,949,746	3,916,664	3,901,982	4,214,228
11. Italy	3,540,308	4,023,693	4,022,991	3,338,342	3,561,214
12. Japan	1,360,950	1,708,581	1,663,265	1,970,377	3,236,576
13. Mauritius	2,680,913	2,605,578	3,117,690	3,363,449	2,956,125
14. Persia	2,723,350	2,586,879	2,571,325	3,174,753	2,587,236
15. Russia	1,369,902	2,171,707	1,928,341	1,487,831	2,209,474
16. Arabia	1,301,281	1,586,351	1,445,174	1,755,016	1,829,991
17. Australia	1,261,412	1,357,228	1,267,254	1,574,224	1,452,242
18. Zanzibar, Mozambique, and other ports on the East Coast of Africa	1,239,170	1,269,292	1,188,118	1,320,791	1,360,673
19. Turkey in Asia	1,352,253	1,203,557	1,149,143	1,389,629	1,240,188
20. South America	998,911	1,377,820	1,192,796	1,626,464	1,185,381
21. Aden	952,135	1,116,051	1,135,761	1,221,926	1,077,375
22. Holland	1,087,486	877,604	1,687,311	1,600,221	995,949

The increase in our trade relations with Germany and Japan stands out prominent in this table.

Our trade (merchandise and treasure) with gold standard and silver standard countries in the last four years was :

	Gold Standard.	Silver Standard.
	Rx.	Rx.
1892-93	147,218,375 = 76 per cent.	45,861,456 = 24 per cent.
1893-94	156,988,679 = 77 "	45,865,861 = 23 "
1894-95	149,703,809 = 76 "	46,995,652 = 24 "
1895-96	150,935,446 = 75 "	50,235,375 = 25 "

European Trade.

Our trade in merchandise with Europe was last year about $65\frac{1}{2}$ per cent of our whole trade with the world, amounting to Rx. 120,318,446 out of an aggregate of Rx. 183,579,535. The proportion would be larger if we took into account the trade with Egypt, the greatest part of which is really trade with Europe, but here we are dealing with direct trade. The trade with the United Kingdom was last year 69 per cent of the trade with Europe. The bulk of the imports into India comes from the United Kingdom (85 per cent last year), but the exports from India are much more equally divided amongst other European countries :

		1894-95. Rx.	1895-96. Rx.
Imports	{ From United Kingdom . . .	51,105,757	47,161,484.
	{ From other European countries . .	6,295,232	8,267,282
Exports	{ To United Kingdom . . .	33,834,017	36,142,702
	{ To other European countries . .	28,237,695	28,746,979

United Kingdom.

The import trade has been as follows :

	Rx.
1891-92 . . .	48,271,400
1892-93 . . .	44,005,841
1893-94 . . .	52,001,013
1894-95 . . .	51,105,757
1895-96 . . .	47,161,484

the decline being about $7\frac{3}{4}$ per cent, consequent on the restricted trade in cotton manufactures.

The effect of the fluctuations in this trade upon the aggregates of the import values will be clear by reference to the following figures :

	1891-92. Rx.	1892-93. Rx.	1893-94. Rx.	1894-95. Rx.	1895-96. Rx.
Value of cotton yarns . . .	3,432,094	2,606,482	3,014,592	2,766,298	2,858,421
„ „ fabrics . . .	24,614,008	22,364,694	28,541,981	29,267,888	22,342,372

Two years of inflated imports of these goods, due to temporary and specific causes affording inducement to speculative activity, were followed last year by a great contraction, the markets having been completely overstocked with Manchester goods. During the present year business has been resumed on a normal level.

The fluctuations in the other imports from the United Kingdom call for no particular remark. The principal items and their values in the last four years are these :

	1892-93. Rx.	1893-94. Rx.	1894-95. Rx.	1895-96. Rx.
Apparel	847,155	893,292	820,953	889,248
Coal	1,107,796	936,698	1,392,395	1,356,895
Chemicals, drugs, medicines, and narcotics, and dyes	662,018	764,826	842,299	912,340
Hardware and cutlery	1,003,314	990,786	1,045,355	1,108,247
Liquors	1,148,508	1,129,906	1,071,003	1,231,871
Machinery	2,342,401	2,475,014	2,411,592	3,187,817
Copper	1,425,678	1,718,697	1,205,595	1,524,676
Iron and steel	1,983,718	1,961,925	1,811,239	2,444,794
Provisions and oilman's stores	678,375	675,007	686,978	718,689
Railway plant and rolling stock	1,020,615	1,237,584	1,550,493	1,504,380
Salt	408,983	545,444	536,885	433,724
Silk manufactures	612,007	634,031	309,092	560,019
Woollen manufactures	1,031,249	1,326,576	938,099	939,644

The export trade was, in the last five years :

	Rx.
1891-92 . .	34,541,012
1892-93 . .	33,311,297
1893-94 . .	34,643,102
1894-95 . .	33,834,016
1895-96 . .	36,142,702

An increase of about $6\frac{3}{4}$ per cent followed the decline of about $2\frac{1}{3}$ per cent in 1894-95.

The principal articles in the export trade, and their values in the last four years, are these :

	1892-93. Rx.	1893-94. Rx.	1894-95. Rx.	1895-96. Rx.
Coffee . . .	960,663	995,820	1,042,064	1,059,854
Cotton . . .	1,305,262	1,302,705	768,372	1,564,895
Indigo . . .	1,657,884	1,576,057	1,480,495	1,867,693
Rice . . .	2,157,239	1,849,960	1,869,152	2,076,995
Wheat . . .	3,646,558	2,565,125	1,785,386	2,344,999
Hides and skins . .	2,610,632	3,142,917	3,037,385	3,444,619
Jute . . .	4,938,001	5,563,595	5,877,092	6,252,769
Jute manufactures .	555,854	598,427	801,019	733,998
Lac . . .	412,868	596,773	800,617	987,829
Linseed . . .	2,881,639	3,279,764	2,597,134	1,727,559
Sugar . . .	386,487	703,393	437,384	491,718
Tea . . .	5,992,543	6,114,421	6,971,046	6,936,604
Wool . . .	1,072,696	1,043,638	1,343,185	1,310,336

There was a complete recovery from the depression which marked the trade in cotton in 1894-95, and the exports reached an unusually high level. The export of wheat was also much larger, though not so large as in former years. In sugar there was but a trifling recovery, and linseed, owing to the deficiency of the Indian crop, fell to an extremely low level.

Last year the interchange of merchandise with the United Kingdom represented 45.4 per cent of India's interchange of merchandise with the world. In the preceding years the ratio was higher :

1890-91 . .	50 per cent.
1891-92 . .	47.4 „
1892-93 . .	45.7 „
1893-94 . .	48 „
1894-95 . .	47.4 „

Austria-Hungary.

	Imports. Rx.	Exports. Rx.
1891-92 . .	839,407	2,180,696
1892-93 . .	1,031,939	2,611,346
1893-94 . .	1,371,383	2,949,448
1894-95 . .	1,194,115	2,443,366
1895-96 . .	1,324,871	3,350,506

A large trade in 1893-94 was followed by a contraction in 1894-95, this again giving way last year to another expansion, the level of the export trade rising particularly high. The values of the principal imports during the year, which are

shewn below, furnish an indication of the way in which various articles made in Austria are being pushed in the Indian market :

<i>Imports.</i>		<i>Exports.</i>	
	Rx.		Rx.
Apparel	173,618	Coffee	143,746
Cotton yarn . . .	61,475	Cotton	1,952,470
„ manufactures .	142,647	Indigo	489,966
Mineral dyes . . .	70,808	Hides and skins .	167,288
Glass and glassware	138,456	Jute	324,043
Hardware and cutlery	93,643	Seeds (mostly earthnuts, sesamum)	140,906
Paper	107,158		
Stationery	25,905		
Silk goods	58,437		
Woollen goods . .	173,500		

Belgium.

	Imports. Rx.	Exports. Rx.
1891-92 . . .	1,324,027	5,466,258
1892-93 . . .	1,645,470	4,429,012
1893-94 . . .	2,053,276	5,726,972
1894-95 . . .	1,866,364	3,795,543
1895-96 . . .	2,728,893	3,953,231

The expansion of the imports from Belgium was temporarily checked in 1894-95 after a year of very large trade. Last year, however, a further advance was made, and the imports were much greater than they had ever been. Exports also were greater than in 1894-95, but they are much below the level of 1893-94, a year which was marked by extremely large exports of cotton, oilseeds, and wheat to Belgium.

The principal articles in the import and export trade, and their value last year, are shewn below. The development of the Belgian exports of iron and steel to this country has been noticed elsewhere in this review in the chapter relating to imported merchandise :

<i>Imports.</i>		<i>Exports.</i>	
	Rx.		Rx.
Iron	755,754	Cotton	2,006,287
Steel	507,160	Seeds	1,179,966
Aniline and alizarine dyes	407,138	Wheat	311,732
Copper	244,317	Hemp	92,492
Glass—sheet and other ware	119,820	Hides and skins .	83,707
Hardware and cutlery . .	42,886		
Candles	75,397		
Earthenware and porcelain	44,381		
Matches	50,615		

France.

	Imports. Rx.	Exports. Rx.
1891-92 . . .	1,041,678	10,967,605
1892-93 . . .	1,040,291	9,101,989
1893-94 . . .	1,138,262	10,694,311
1894-95 . . .	860,430	8,681,704
1895-96 . . .	978,970	8,678,443

Imports were much larger last year than in 1894-95, but quite restricted compared with the level of previous years. In the export trade the level reached was no higher than that of 1894-95, and that was a low level. Looking at the trade with France over a series of years one is not able to find evidence of a progressive and developing tendency. The principal articles of import and export, and their value last year, are stated below :

<i>Imports.</i>		<i>Exports.</i>	
	Rx.		Rx.
Apparel, including millinery	242,890	Coffee	747,870
Clocks and watches (largely Swiss)	67,366	Cotton	1,292,808
Saffron	53,574	Indigo	652,912
Glass beads and false pearls	46,458	Wheat	225,989
Spirits, chiefly brandy	140,165	Hides and skins	332,612
Wines	72,293	Jute	473,864
Metals	43,138	Seeds	4,026,185
Silk goods	147,433	Silk, raw	373,434
Woollen goods	32,683		

A material reduction in the export of seeds (earthnuts, linseed, and rape-seed), the result chiefly of bad crops in India, has to be set off against a considerable increase in other exports, with the result that the aggregate does not quite reach the figure of 1894-95.

Germany.

<i>Imports.</i>		<i>Exports.</i>
	Rx.	Rx.
1891-92	1,524,969	5,091,165
1892-93	1,451,330	6,528,070
1893-94	1,714,003	7,648,508
1894-95	1,731,453	7,723,662
1895-96	2,352,529	8,060,763

These figures are in striking contrast with the figures of our trade with France, in the evidence they furnish of rapid progress. The import value is more than twice as large as the value of imports from France, and the exports are but little below the level of the exports to France; and, if the present rate of progress should be maintained, they will before long exceed the exports to France. The principal articles in the trade, and their value last year, are stated below :

<i>Imports.</i>		<i>Exports.</i>	
	Rx.		Rx.
Sugar	875,022	Coffee	46,838
Woollen goods	260,403	Coir and coir goods	65,539
Hardware and cutlery	148,707	Cotton	2,691,400
Salt	109,143	Indigo	530,470
Apparel	65,074	Rice	282,059
Glass and glassware	39,452	Wheat	159,593
Iron	38,120	Hides and skins	986,708
Steel	31,479	Jute	1,504,591
Cotton yarns and manufactures	51,453	Gunny bags and cloth	132,629
Aniline and alizarine dyes	56,380	Lac	211,261
Chemicals, drugs, narcotics	46,770	Seeds	1,056,253
Beer	65,797		
Spirits	46,007		
Paper	58,814		
Stationery	13,380		
Silk goods	43,518		
Toys	30,039		

Italy.

		Imports.	Exports.
		Rx.	Rx.
1891-92	. .	535,906	3,004,402
1892-93	. .	356,306	3,667,387
1893-94	. .	448,571	3,574,420
1894-95	. .	342,039	2,996,303
1895-96	. .	420,814	3,140,400

There was a large decline in corals, which are one of the staples of the import trade, but on the other hand there was a remarkable development of the imports of silk goods and mineral dyes. Whether the activity is likely to continue it would be hard to say. Our imports from Italy generally are on a restricted and non-progressive scale. The salt trade, which used formerly to be of some little importance, has transferred itself to Germany, the imports thence being very large, though Italy has at least as great facilities for salt production as Germany, and the ports of shipment are much closer to India. A trade—the importation of glass beads and false pearls—which formerly was distinctively an Italian trade with India, is also apparently passing from Italian hands to Germany, Austria, and France. The importation of coloured cottons also has almost ceased during the last five years. Nor does the export trade seem to give promise of much expansion. The exports of cotton fluctuate within limits; the exports of wheat (under the operation of a protective tariff) have dwindled from substantial proportions; seeds, like cotton, fluctuate without increasing; in hides, indigo, and jute there is a tendency to increase, but the trade in these articles is not large compared with the trade in the other articles mentioned.

Russia.

As remarked in the review of 1894-95, it is convenient, although this section treats of European trade, to class European and Asiatic Russia together, for our trade consists of the import of petroleum from Batum on the Asiatic side of the Black Sea and of the export of cotton, indigo, and seeds to Odessa on the European side of the Black Sea, and of tea (foreign and Indian) to Batum:

		Imports.		Exports.	
		(From Asiatic Russia.)	(From European Russia.)	(To Asiatic Russia.)	(To European Russia.)
		Rx.	Rx.	Rx.	Rx.
1891-92	. .	1,129,129	14	...	240,759
1892-93	. .	1,488,623	...	125	683,019
1893-94	. .	1,262,495	519	...	665,327
1894-95	. .	1,007,380	265	30,162	450,024
1895-96	. .	1,835,649	31,909	212,133	189,783

Imports from European Russia are trifling, and exports thither have not been increasing. Last year there was a great decline in both cotton and oilseeds, which form the largest part of the trade.

*African Countries.**Abyssinia.*

The exports to this country consist mainly of cotton piece-goods, rice, wheat, and jawár and bájra. The trade in these millets was large until 1893-94, but since that year it has been very greatly reduced. The import trade is insignificant; the export trade for the last five years has been:

		Rx.
1891-92	. .	260,739
1892-93	. .	257,650
1893-94	. .	202,814
1894-95	. .	214,368
1895-96	. .	234,488

Cape Colony and Natal.

The imports from both these colonies are trifling. The export trade has been as follows:

		To Cape. Rx.	To Natal. Rx.
1891-92	. .	203,391	235,139
1892-93	. .	228,848	197,273
1893-94	. .	239,299	174,362
1894-95	. .	226,210	220,831
1895-96	. .	348,406	273,914

The largest items in the export trade to Cape Colony are rice and gunny bags, with some oils and teakwood. To Natal also the principal exports are rice and gunny bags, with cotton piece-goods, apparel, and ghi for the fast increasing Indian coolie population.

Egypt.

		Imports. Rx.	Exports. Rx.
1891-92	. .	91,282	7,219,658
1892-93	. .	158,994	4,869,794
1893-94	. .	171,372	3,722,627
1894-95	. .	282,291	4,669,041
1895-96	. .	250,792	5,207,057

The great increase in imports in 1894-95 was largely due to an expansion of the trade in cotton, imported for the spinning of the finer counts of yarn in the Bombay mills: the imports reached 42,674 cwt. Last year these imports fell to 40,391 cwt. As mentioned in another place, experiments are about to be made in India in the cultivation of Egyptian cotton.

Rice and wheat form the bulk of our exports to Egypt, but they are not really trade with that country, the grain only going to Port Said for orders. The trade in wheat fell to a very low point in 1894-95, but last year there was some recovery, and exports of rice maintained the high level of 1894-95. The only other two articles taken by Egypt in quantity are indigo and gunny bags, the former to dye the garments of the peasantry and the latter for the packing of grain, but it may be noted that, though the trade is small, there was a noticeable increase in the exports of Indian cotton piece-goods.

Mauritius.

		Imports. Rx.	Exports. Rx.
1891-92	. .	1,719,872	1,261,041
1892-93	. .	1,462,771	1,142,806
1893-94	. .	1,787,030	1,330,660
1894-95	. .	1,961,603	1,401,846
1895-96	. .	1,721,338	1,234,786

The imports of sugar from Mauritius were unprecedentedly large in 1894-95, though it was supposed in the colony that the imposition of the import duty of 5 per cent would be disastrous to the trade. Last year again the imports continued on an unusually high scale, though lower than the remarkable imports of the preceding year. The duty in fact has had no effect whatever on the trade,

because—there being no effective competition with Indian sugar—it is not protective in its incidence.

The reduction in the exports was due chiefly to a restriction in the shipments of rice which followed a very active trade in the preceding year.

Zanzibar.

		Imports.	Exports.
		Rx.	Rx.
1891-92	. .	291,723	636,838
1892-93	. .	228,306	642,849
1893-94	. .	283,885	606,752
1894-95	. .	260,783	736,039
1895-96	. .	255,282	718,104

The two articles—ivory and cloves—which form the staple of the import trade are subject to great fluctuations. In 1894-95 there was an increase in ivory and a decline in cloves; last year the position was reversed, ivory declining and cloves increasing. The exports consist chiefly of Manchester and Bombay cottons, though they do not come into competition, the Manchester cottons being mainly coloured goods and to a smaller extent bleached goods, while the Indian cottons are grey (unbleached) goods. The quantity of Bombay goods exported is about double the quantity of Manchester goods. Rice and other grain, and provisions, constitute the bulk of the exports apart from cotton goods. The large trade in rice in 1894-95 was followed by another large export, though the level was not so high.

Countries in America.

United States.

		Imports.	Exports.
		Rx.	Rx.
1891-92	. .	1,199,458	3,879,749
1892-93	. .	1,134,438	4,527,841
1893-94	. .	2,016,270	3,359,821
1894-95	. .	1,106,441	5,842,397
1895-96	. .	1,139,438	5,913,896

In 1893-94 the importation of petroleum, which constitutes nearly nine-tenths of the import trade, was carried on on a scale of unprecedented magnitude, but the speculation came to an end in a few months. The imports in 1894-95 fell to a point below the average, and last year they were again a little lower, the Russian oil being now imported in large quantities in bulk in tank steamers, which brings the oil to the consumer at a much lower price than that of American oil imported in cans and cases.

There was some activity in the other two articles which are imported in any quantity from the States, namely, tobacco and cotton drill, and on the whole there was a larger aggregate value of the import trade.

The value of the export trade was a little larger than the large figures of 1894-95.

The imports from the States now consist (to the extent of about 94 per cent) of the following articles :

	1894-95. Rx.	1895-96. Rx.
Mineral oil, chiefly kerosene	975,522	963,371
Cotton piece-goods (grey)	54,035	54,840
Tobacco	14,738	43,662
Clocks and watches	5,391	12,573

The principal exports in the same period are these :

	Rx.	Rx.
Hides and skins	1,750,156	2,052,683
Jute	1,159,789	863,441
„ manufactures	1,083,613	1,181,288
Indigo	719,915	613,884
Lac (button and shell)	366,676	453,744
Seeds	318,018	162,145
Saltpetre	93,505	160,423
Cutch	56,066	35,294
Cocoanut oil	102,910	190,613
Mica	29,194	51,109
Tea	14,663	34,585

The only articles in which there was any noticeable depression were jute and seeds. The restricted trade in jute was only a reaction from the large trade of 1894-95, and linseed, whether wanted or not in the United States, could not be shipped from India in large quantities in consequence of the deficient crop.

South America.

With the countries of South America our trade consists almost exclusively of the export of rice and gunny bags. The following figures shew a material reduction in the trade of last year :

	1894-95.		1895-96.	
		Rx.		Rx.
To Brazil, rice cwt.	2,388,570	1,030,382	cwt. 1,636,804	676,277
To Chilé, rice cwt.	163,932	62,999	cwt. 54,836	24,172
„ gunny bags No.	4,761,000	81,234	No. 8,443,900	167,300
To British Guiana, rice . . . cwt.	297,749	152,800	cwt. 141,297	59,669
„ gunny bags No.	596,400	17,021	No. 553,400	14,825
„ linseed cwt.	103,236	79,609	cwt. 51,326	38,982
To other countries, rice . . . cwt.	189,363	66,369	cwt. 109,829	40,930
„ gunny bags No.	6,696,250	114,447	No. 5,636,900	100,899

West Indies.

With these islands also our trade consists almost exclusively of the export of rice and linseed. Last year's trade was rice, Rx. 105,698, and linseed, Rx. 89,319, a great reaction from the large trade of 1894-95.

Countries in Asia.

Aden.

	Imports. Rx.	Exports. Rx.
1891-92	126,966	825,169
1892-93	141,934	974,117
1893-94	183,336	952,425
1894-95	166,221	1,055,705
1895-96	125,999	951,376

Arabia.

	Imports. Rx.	Exports. Rx.
1891-92	353,297	947,984
1892-93	436,812	1,149,539
1893-94	355,998	1,089,176
1894-95	530,663	1,224,353
1895-96	564,480	1,263,511

The principal import from Aden is salt, of which the quantity imported at Calcutta was not as large as in the preceding year, and was much below the average. The export of cotton goods was also comparatively small.

The imports of pearls from Arabia were greatly in excess of the average imports; from Persia also there was a large increase, and the fishing must have been good. It is stated also that there was a rise in prices in Bombay. There was a large increase in the export of rice.

Ceylon.

	Imports. Rx.	Exports. Rx.
1891-92 .	669,777	2,925,764
1892-93 .	664,757	3,284,989
1893-94 .	696,625	3,220,039
1894-95 .	451,821	3,450,161
1895-96 .	541,770	3,672,458

The import of tea from Ceylon is a noticeable feature in the trade; the conditions of transport which reduce Western India to the necessity of importing about a million pounds of Ceylon tea annually merit the close attention of those who are interested in the Indian tea industry. In the last five years we have taken of Ceylon tea and paid for it—

	lbs.	Rx.
1891-92 .	849,737	40,763
1892-93 .	633,596	29,518
1893-94 .	980,507	51,374
1894-95 .	901,971	46,137
1895-96 .	997,925	51,011

In other respects the import trade from Ceylon resembles very closely, and is in the nature of, coasting trade, and no particular comment on it need be made.

Two-thirds of the export trade to Ceylon are represented by rice, in which there was some increase. The export of Indian coal to Ceylon has increased, but it is still small:

	Tons.
1891-92 .	1,000
1892-93 .	13,379
1893-94 .	28,044
1894-95 .	47,820
1895-96 .	48,986

China.

The trade with China in the last five years is exhibited in the table below:

IMPORTS.					EXPORTS.			
	Silk, raw.	Silk goods.	Tea.	Total of all imports.	Cotton, raw.	Cotton yarn.	Opium.	Total of all exports of Indian goods.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
1891-92 . .	983,954	533,648	351,893	2,877,138	266,051	5,161,716	7,803,855	13,711,883
1892-93 . .	725,025	629,612	384,323	2,842,530	126,880	6,290,561	7,317,578	14,402,271
1893-94 . .	1,072,016	638,676	472,552	3,542,556	9,713	4,449,905	5,977,195	10,989,240
1894-95 . .	899,065	547,617	328,259	2,662,958	68,113	5,139,464	6,819,076	12,548,725
1895-96 . .	938,334	626,483	410,564	2,805,858	149,692	6,336,062	6,353,818	13,778,103

The figures of the import and export trade given above are a good illustration of the fallacy that a low or falling exchange is good for the trade of the country

which is blessed with a currency medium the exchange value of which keeps low or falling. When the Indian mints were closed in 1893 the exchange value of the dollar fell heavily while the exchange value of the rupee rose. As a temporary consequence, the conditions of trade were disorganised, and, while imports from China were materially increased, exports to that country were substantially lowered. Such conditions, however, never outlast the time required to make the necessary adjustment to the new conditions of exchange of prices and other factors of trade. This adjustment is made in most cases immediately; in the case of China the shock of disorganisation was so sudden and violent that a few months elapsed before the certain adjustment was completely effected, but it was effected in due course, and no trace remained in the record of trade transactions, either last year or in the year which preceded it, of the effects which are so frequently held up to view, in disregard of the rule to which there has never been an exception, as resulting from a depreciating standard of value.

The exports of cotton yarn to China last year were larger than in 1892-93 which was a year of inflated trade, over-supply, and falling prices. Last year, however, the offtake was equal to the supply and prices left good profits.

In raw cotton there was also an increase, but this trade is hardly more than a tenth of what it once was. It is stated by the Chinese Imperial Customs authorities that there will be 18 or 20 cotton mills open at Shanghai in 1897, and if the anticipation should be realised it is possible that, as in the case of Japan, there will be a larger demand for Indian cotton. Some time, however, must elapse before the new manufacturing industry in China will appreciably reduce the demand for Indian yarns.

The exports of opium were smaller, the quantity available for export having been less and prices having risen considerably. Since the close of the official year it has been found expedient to reduce the export duty on Malwa opium by 50 rupees a chest.

Japan.

	Imports.	Exports.
	Rx.	Rx.
1891-92 .	65,746	1,295,204
1892-93 .	91,210	1,617,371
1893-94 .	252,096	1,411,169
1894-95 .	288,898	1,681,480
1895-96 .	417,193	2,819,383

The rapid increase of our trade with Japan has no parallel except with Germany. And the parallel exists in many directions: political disunion and imperfect cohesion of local territories; the recognition of the necessity for political union and reform; a long-standing feud with a powerful neighbour and, in the estimation of the world, inability to withstand that neighbour; the patient completion of military reorganisation, followed by a great struggle with the formidable neighbour and his overthrow; the active pursuit of trade and industry; and the strenuous and successful exertions to put their goods on the Indian market which both nations have made, and the enormous increase of trade which has resulted. In five years the imports from Japan have increased more than six-fold, and the exports thither have more than doubled.

The principal articles in the import trade are these (values in Rx.) :

	1894-95.	1895-96.
Matches . . .	107,851	106,231
Copper . . .	55,134	76,734
Silk goods . . .	15,661	65,794
Apparel (mainly of silk)	29,305	50,327
Coal . . .	12,210	16,157
Umbrellas . . .	10,668	15,661
Camphor . . .	8,692	12,554
Silk, raw . . .	13,498	12,540

The export trade some years ago was limited mainly to cotton yarn. That trade, however, has practically ceased to exist in consequence of the rapid extension of the cotton-spinning industry in Japan, and has been replaced by a trade in the raw material required for the Japanese spinning mills. This revolution in trade has been effected during the last six years as will be seen from the figures subjoined of the exports of both articles, quantity and value :

	Raw cotton.		Cotton yarn.	
	Cwt.	Rx.	lbs.	Rx.
1889-90 . . .	60,837	186,431	22,686,714	979,014
1890-91 . . .	77,757	216,806	11,876,422	488,592
1891-92 . . .	400,952	997,082	6,682,050	254,262
1892-93 . . .	443,988	1,256,755	7,351,801	277,774
1893-94 . . .	368,351	1,093,885	5,768,772	221,958
1894-95 . . .	465,148	1,277,769	2,613,600	100,866
1895-96 . . .	855,853	2,442,435	1,208,400	46,002

The change has been a gain to India, for while a trade has been lost which was worth at its best only about a million of Rx., its place has been taken by one which is much larger and which must increase as the spinning capacity of the Japanese mills increases. The Indian mills are none the worse for the loss of the trade in yarn ; in any case they had long warning that they could not expect to retain it.

The other articles exported to Japan are :

	Rx.	
	1894-95.	1895-96.
Indigo	59,203	71,704
Rice	98,716	43,000
Jute	32,710	17,292
Jute manufactures (bags, cloth, yarn, twine) .	61,145	86,677
Wool	13,420	21,231

Persia.

	Imports. Rx.	Exports, Rx.
1891-92 . . .	709,999	2,013,351
1892-93 . . .	687,092	1,899,787
1893-94 . . .	734,205	1,837,120
1894-95 . . .	794,677	2,380,076
1895-96 . . .	872,798	1,714,438

The value of the principal articles in the last two years is shewn below :

<i>Imports.</i>		<i>Exports.</i>			
	1894-95. Rx.	1895-96. Rx.		1894-95. Rx.	1895-96. Rx.
Cotton	27,037	20,816	Coffee (Foreign) . .	23,853	6,064
Asafoetida	35,136	32,945	„ (Indian)	34,819	26,624
Skins, raw	40,674	35,579	Cotton twist and yarn—		
Precious stones and pearls	256,320	288,235	(Foreign)	83,934	39,830
Dates and other fruits .	170,463	188,993	(Indian)	42,860	41,633
Seeds	33,909	30,520	Cotton manufactures—		
Wool	103,882	129,005	(Foreign)	874,571	626,821
			(Indian)	44,749	42,328
			Indigo	195,253	90,635
			Metals	44,940	57,921
			Rice	91,720	71,670
			Sugar	126,508	90,475
			Tea (Foreign)	399,432	185,815
			„ (Indian)	205,971	224,001

The imports from Persia are relatively small. In the export trade, foreign goods are much larger in value (Rx. 1,101,451) than Indian goods (Rx. 612,987). The development in the trade in tea in recent years is interesting, the figures indicating a tendency towards the displacement of foreign by Indian tea in the Persian market. The exports of Indian tea are just about the same as in 1894-95, and those of foreign tea are very much less, not much more than half of the shipments of 1894-95. The reduction may be due to the operation of the Russian fiscal regulations which prevent the entrance of tea into the trans-Caspian region through Persia and encourage its entrance *via* Batum and the Caspian, or it may be merely an ordinary fluctuation of trade. Some time must elapse before a definite conclusion on this point will become possible. The route by Batum is favoured by nature as well as by fiscal regulations, and it is as advantageous for Northern Persia as for the Russian trans-Caspian region. It is possible in fact that tea shipped from Bombay may in the future, if railways are not built, reach Persia through the trans-Caspian region instead of reaching the trans-Caspian region through Persia as has hitherto been the case. The figures of the quantity of tea exported are appended. There was a large reduction in foreign tea last year, and in the present year the reduction has continued, while there is an increase in the shipments to Batum :

	Foreign Tea. lbs.	Indian Tea. lbs.
1889-90	1,673,175	1,118,126
1890-91	2,973,817	1,221,478
1891-92	3,115,691	2,789,175
1892-93	3,240,763	1,406,625
1893-94	3,306,020	2,497,525
1894-95	3,961,397	3,172,806
1895-96	2,252,814	3,188,099

Siam.

There has been a further development of the imports of Siamese teakwood, 23,785 tons, value Rx. 154,070, having been imported during the year.

Straits Settlements.

	Imports. Rx.	Exports. Rx.
1891-92	2,358,598	5,244,168
1892-93	2,371,609	4,749,150
1893-94	2,524,623	4,842,139
1894-95	2,103,158	5,628,884
1895-96	2,075,220	6,209,808

For the last two years, the imports have been low, while the exports have been increasing. There is, however, nothing special in the nature or conditions of the trade.

Turkey.

		Imports.	Exports.
		Rx.	Rx.
1891-92	. .	570,193	782,060
1892-93	. .	477,174	726,383
1893-94	. .	447,332	701,811
1894-95	. .	405,619	984,010
1895-96	. .	502,249	746,939

The figures of the year are just the reverse of those of the previous year: then imports declined and exports increased largely, while last year imports increased largely and exports declined. The trade is dependent on the weather and crops in those regions, and these were satisfactory except as regards dates. There were abundant supplies of grain and wool to be sold, and there was also an active trade in horses.

Australia.

		Imports.	Exports.
		Rx.	Rx.
1891-92	. .	287,314	974,098
1892-93	. .	239,450	1,117,778
1893-94	. .	242,665	1,024,588
1894-95	. .	243,649	1,330,575
1895-96	. .	233,543	1,218,699

The principal imports are horses, of which the value was last year Rx. 135,642; coal, value Rx. 26,542, a heavy reduction in both on the trade of 1894-95; and copper, value Rx. 29,148, a great recovery from the depression of 1894-95.

The trade in provisions gives but little return for all the nursing it has received: the value was only Rx. 11,757 which, however, was a little better than in 1894-95.

Exports are limited chiefly to gunny bags, tea, and castor-oil. A few other articles, such as rice, linseed-oil, and provisions, are exported in small quantity. The trade in gunny bags was unusually large, amounting to nearly 28 million bags, in 1894-95, and last year it was reduced to 24 millions, the exports of previous years ranging between 20 and 24 millions in number. The exports of tea in the last five years have been—

		lbs.
1891-92		5,203,995
1892-93		3,908,087
1893-94		6,239,538
1894-95		4,871,919
1895-96		6,774,652

The increase is satisfactory, but the trade is much smaller than might have been expected. China and Ceylon tea still hold the Australian markets.

CHAPTER IV.

Provincial Trade.

The figures of the trade of each province stand thus (in Rx.) :—

	<i>Imported Merchandise.</i>		<i>Exported Merchandise.</i>	
	1894-95.	1895-96.	1894-95.	1895-96.
Bombay	28,821,849	27,906,664	34,371,990	37,933,075
Bengal	26,647,183	27,191,817	46,011,742	46,588,587
Madras	6,720,013	5,693,863	12,481,466	12,812,353
Burma	3,469,351	4,714,506	9,817,584	10,568,130
Sind	4,509,042	3,809,515	6,132,217	6,360,995

Taking imports and exports of merchandise together, the share of each province in the whole foreign trade of India stood as follows during the last two years :

	1894-95. Per cent.	1895-96. Per cent.
Bombay	35.31	35.87
Bengal	40.59	40.19
Madras	10.73	10.08
Burma	7.42	8.32
Sind	5.95	5.54

There was a smaller business in imported merchandise in Bombay, Madras, and Sind; in Bengal and Burma there was a larger import trade; and all provinces shared in the general increase in exported merchandise. The increase in Burma was very large, the province having recovered from the depression which affected it in the two preceding years.

The following table shews the nature of the import trade and of the export trade (Indian produce) of each province :

	Bengal.	Bombay.	Madras.	Sind.	Burma.
IMPORTS.					
Cotton —	Rx.	Rx.	Rx.	Rx.	Rx.
Twist and yarn	1894-95 745,463 1895-96 862,886	643,006 680,169	1,031,616 798,299	141,176 156,370	289,993 473,366
Goods	1894-95 14,473,595 1895-96 12,630,006	9,313,317 6,298,001	2,550,417 1,478,713	2,609,717 1,335,866	875,328 1,042,195
Liquors	1894-95 493,995 1895-96 538,236	430,479 503,504	200,922 216,850	145,701 178,282	187,083 258,956
Metals	1894-95 2,086,678 1895-96 2,745,761	2,150,338 2,804,920	435,121 504,472	213,624 372,862	176,002 285,457
Sugar	1894-95 583,459 1895-96 631,464	1,780,967 1,844,500	5,449 5,671	419,112 538,338	86,310 86,840
Woolen manufactures.	1894-95 723,546 1895-96 563,857	633,454 696,534	53,767 34,235	70,413 39,796	60,459 111,095
EXPORTS OF INDIAN PRODUCE.					
Coffee	1894-95 129 1895-96 321	83,560 75,081	2,038,545 2,122,769	25 9	114 12
Cotton —					
Raw	1894-95 431,591 1895-96 970,393	5,913,715 10,478,213	1,662,678 1,506,838	685,778 1,114,956	9,504 19,793
Twist and yarn	1894-95 239,560 1895-96 257,020	5,257,901 6,296,060	173,819 176,218	44 246	700 1,292
Goods	1894-95 18,955 1895-96 21,105	919,956 989,767	523,709 581,689	13,464 20,665	572 524
Hides and skins —					
Raw	1894-95 2,720,687 1895-96 3,119,790	3,920 8,551	5,328 6,611	48,095 322,694	101,546 170,647
Dressed	1894-95 5,693 1895-96 7,738	615,099 686,268	3,059,144 3,315,031	411 2,038	17 60
Indigo	1894-95 3,477,582 1895-96 3,723,847	170,229 159,737	991,895 1,402,126	97,209 68,801	... ...
Jute —					
Raw	1894-95 10,572,130 1895-96 9,990,325	... 9	3,847 2,527	... ...	... ...
Manufactures	1894-95 4,137,231 1895-96 4,665,654	70,652 78,344	636 394	2,135 3,065	180 76
Opium	1894-95 5,296,874 1895-96 5,046,393	3,767,785 3,412,935	... ...	6 8	... ...
Rice, husked	1894-95 4,049,261 1895-96 3,724,181	617,106 462,774	682,844 473,106	55,825 30,750	8,287,958 8,739,892
Seeds	1894-95 3,557,853 1895-96 2,373,106	8,298,087 6,001,939	720,958 469,901	1,622,237 870,345	2,385 2,140
Tea	1894-95 7,123,537 1895-96 7,162,054	213,880 272,528	170,026 191,784	47,298 36,634	1,004 1,289
Teakwood	1894-95 7,404 1895-96 6,067	13,450 11,362	5,600 6,567	53 153	543,623 646,825
Wheat	1894-95 85,153 1895-96 371,449	427,976 1,155,949	207 85	2,051,941 2,386,363	... 50
Wool —					
Raw	1894-95 119,554 1895-96 105,357	830,129 799,361	7,086 7,584	420,081 442,806	... ...
Manufactures	1894-95 61,873 1895-96 90,803	67,348 66,500	19,237 20,059	2,859 5,521	25 2

The exports from Bengal are chiefly : raw and manufactured jute, of which this province possesses a practical monopoly, tea, opium, rice, oilseeds, indigo, raw hides.

The exports from Bombay are : raw and manufactured cotton, oilseeds, opium, wheat, raw wool.

Madras exports tanned skins, of which article this province has almost a monopoly, coffee, raw and manufactured cotton, indigo, seeds, rice.

From Sind the exports are : wheat, the centre of this trade apparently rapidly gravitating to Karáchi, seeds, raw cotton, and raw wool.

The export trade of Burma is limited to rice and teakwood.

The bulk of the trade and navigation of India with foreign countries is confined to the five ports noted below in the following proportions between the chief ports. Treasure is included in the trade here :

	Proportion per cent.		Proportion per cent.	
	1894-95.	1895-96.	1894-95.	1895-96.
	<i>Trade.</i>		<i>Shipping.</i>	
Bombay	39.79	40.2	30.97	31.11
Calcutta	37.24	36.72	24.94	22.39
Rangoon	5.32	6.17	10.79	12.44
Madras	5.63	5.57	8.6	8.77
Karáchi	5.6	5.17	7.11	7.7
TOTAL	93.58	93.83	82.41	82.41

The following figures shew the actual extent of the foreign trade of the largest ports of India in merchandise only, imports and exports (including re-exports), during the last two years in Rx. :

	1894-95.	1895-96.
Calcutta	71,319,266	72,316,661
Bombay	63,158,708	65,799,726
Rangoon	10,430,908	12,303,406
Madras	10,985,753	10,735,151
Karáchi	10,641,250	10,170,371
Tuticorin	2,213,631	2,084,555

Government Stores.

The total value of these transactions was Rx. 3,728,466, that of the preceding year having been Rx. 3,550,589. Imports of stores amounted to Rx. 3,620,358 against Rx. 3,361,555 in 1894-95—the result of a larger importation of railway material, this class of stores having been imported on a relatively small scale in 1894-95.

During the last five years the values of imports and exports on account of Government have been as follows (in Rx.) :

	<i>Imports.</i>		<i>Exports.</i>	
	Stores.	Treasure.	Stores.	Treasure.
1891-92	2,844,926	...	137,581	143,500
1892-93	3,660,247	...	59,479	29,929
1893-94	3,064,475	36,000	55,779	75,455
1894-95	3,361,555	22,200	98,779	68,055
1895-96	3,620,358	9,000	71,598	27,510

The importations of arms and ammunition were smaller, but there was a very large increase in the importation of railway material. Such material will continue on a large scale for some years, the Government having adopted a policy of rapid railway construction.

Customs Revenue.

The principal changes made in the tariff were : (1) in May 1895 the reduction of the duty on coloured yarns to one-half per cent, and (2) in February 1896, the exemption of all cotton yarn, also sewing thread, from duty and the reduction of the rate of duty on other cotton manufactures from 5 to $3\frac{1}{2}$ per cent.

The gross revenue from imports, salt excluded, was, in the last two years :

	Rx.
1894-95 .	2,895,426
1895-96 .	3,978,645

The increase last year was due to the inclusion of cotton goods and yarns in the schedule of dutiable articles, these goods having been exempt from duty until the end of December 1894. As stated above, the rate of duty on cotton goods was reduced in the last quarter of the year, and yarns were again exempted.

The revenue obtained from the articles which are subject to special rates of import duty was :

	1894-95. Rx.	1895-96. Rx.
Arms and ammunition	32,238	33,868
Malt-liquor	15,729	19,047
Cider and other fermented liquor	197	186
Spirits	549,879	590,899
Liqueurs	6,152	7,690
Wines	39,652	44,660
Opium	432	405
Petroleum	317,995	400,001
Salted fish	11,016	13,366
Total gross revenue	973,290	1,110,122

All other dutiable imports are taxed at the general rate of 5 per cent, except cotton goods which are taxed at $3\frac{1}{2}$ per cent, and the bulk of iron and steel which are taxed at 1 per cent. The revenue obtained from these classes of goods in the last two years was as follows :

Articles of Food and Drink (other than liquors) returned Rx. 307,301, the principal items being :

	1894-95. Rx.	1895-96. Rx.
Sugar	140,674	153,095
Provisions	45,828	54,672
Fruits and vegetables	35,260	35,566
Spices	37,774	35,258
Tea	30,706	25,143

From *Chemicals, Drugs, Narcotics, and Dyes*, the relatively small sum of Rx. 102,109 was obtained, the chief items being :

	1895-95. Rx.	1895-96. Rx.
Drugs, medicines, narcotics	34,703	35,101
Chemical products and preparations	25,799	27,197
Dyes and tans	31,158	39,811

The revenue from articles grouped under *Metals* and *Articles made of metal* is considerable, amounting to Rx. 613,733, more than half being obtained from silver. The principal items are :

	1894-95. Rx.	1895-96. Rx.		1894-95. Rx.	1895-96. Rx.
Hardware and cutlery .	71,931	74,548	Silver	348,951	355,868
Copper and brass .	77,265	105,969	Steel	6,247	10,484
Iron	22,589	29,341	Tin	16,620	18,300
Lead	1,276	1,737	Zinc	6,129	6,618

As stated before, most of the iron and steel is taxable at 1 per cent, while the other metals are taxed at 5 per cent.

From *Oils* (petroleum excepted) only Rx. 8,691 was obtained, the importation of mineral oil alone being considerable.

The largest items of all, *Cotton yarns* and *Other manufactures of cotton*, produced a revenue of Rx. 1,183,527.

The duty on yarns was Rx. 109,704. From the details given by the custom-houses it appears, as is shewn also elsewhere in this review, that the importation of the lower counts of yarns practically does not exist. The returns shew that out of the total of Rx. 38,492 obtained from mule and water twist Rx. 130 were obtained from No. 15 and lower numbers, and Rx. 128 from Nos. 15 to 24.

The revenue realised represents only the revenue obtained during ten months of the year, for yarns were exempted from duty on the 3rd February 1896. Sewing thread, which returned a revenue of Rx. 7,229, was also exempted at the same time, and the duty on all other manufactures of cotton was reduced from 5 to 3½ per cent. The revenue obtained from these was Rx. 1,073,823, the principal descriptions being those specified below. As no duty was levied on these goods for about nine months of 1894-95 it is useless to compare the figures of that year with those of 1895-96 which are entered here :

Piece-goods : grey (unbleached), mostly shirtings, chádars, dhutis, sáris, and scarves.	598,962
Piece-goods : white (bleached)	214,716
„ coloured, printed, or dyed	231,189
Handkerchiefs and shawls in the piece	9,159
Hosiery and other manufactures of cotton	12,554

Of the other articles enumerated in the tariff schedules those noted below are the most important. The articles specified here are those on which the revenue obtained was Rx. 10,000 and upwards :

	1894-95. Rx.	1895-96. Rx.
Apparel	78,326	72,411
Earthenware and porcelain	9,795	11,688
Glass and glassware	31,810	36,974
Gums and resins and articles made of gums, including caoutchouc and gutta percha.	10,728	11,709
Instruments, apparatus, and appliances	13,650	17,211
Ivory and ivoryware	13,682	15,627
Leather and articles made of leather (mainly boots and shoes, harness and saddlery).	14,810	15,629
Matches	18,409	18,130
Paints, colours, painters' materials, and compositions for application to leather, wood, and metals	16,372	20,523
Paper and pasteboard	18,834	25,404
Silk and articles made of silk	119,774	146,375
Stationery	14,317	14,575
Umbrellas	16,959	17,103
Wood and timber, and articles made of wood	10,760	14,670
Woollen goods	77,295	72,988
Articles imported by post	14,308	14,251

The total gross revenue from all articles subject to import duty, salt excepted, was Rx. 3,978,645. On the same articles the drawbacks and refunds in the year amounted to Rx. 90,970, the net revenue being Rx. 3,887,675, which was nearly 98 per cent of the gross revenue. The drawbacks, amounting to Rx. 65,773, are given to the extent of seven-eighths of the import duty on articles re-exported from India. The refunds, amounting to Rx. 25,197, are given in special cases where exemption is allowed after payment of duty or where duty has been erroneously charged, but the bulk of the refunds represents the difference between the specific duty chargeable on the import of arms and the rate of 10 per cent *ad valorem* payable when the arms are sold by the importing trader to persons authorised to possess arms.

The export tariff schedule is limited to rice and rice-flour, a duty of three annas (three-sixteenths of a rupee) being levied on each maund of 82 $\frac{2}{7}$ lbs. avoird. The gross and net duty realised in the last six years have been :

		Gross. Rx.	Net. Rx.
1890-91	. .	921,039	900,647
1891-92	. .	879,213	857,502
1892-93	. .	741,194	725,402
1893-94	. .	660,477	645,475
1894-95	. .	903,488	887,977
1895-96	. .	929,224	912,985

CHAPTER V.

Balance of Trade.

The excess of exports over imports, including treasure as well as merchandise, for each of the last ten years was (in Rx.):

	Including Government transactions.	Excluding Government transactions.
	Rx.	Rx.
1886-87	17,359,900	20,398,400
1887-88	13,317,800	15,774,700
1888-89	15,548,400	18,266,400
1889-90	18,709,700	21,219,400
1890-91	8,440,700	11,253,200
1891-92	27,305,200	29,869,100
1892-93	30,279,300	33,850,100
1893-94	15,120,900	18,090,100
1894-95	34,029,600	37,246,600
1895-96	32,289,800	35,820,100

In the same period the drawings of the Secretary of State in Council bills have been—

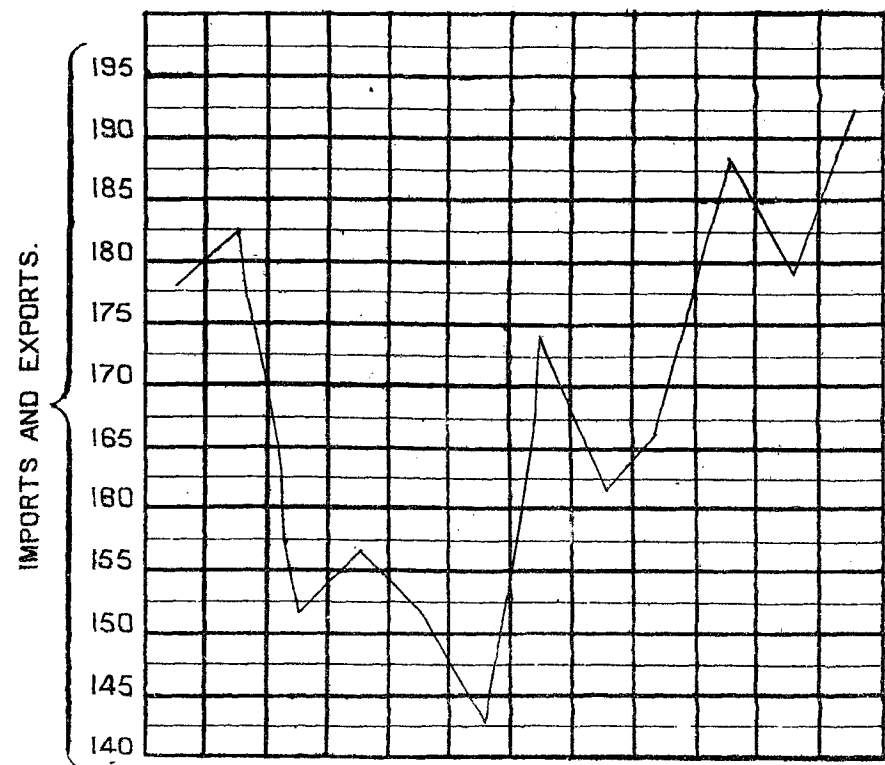
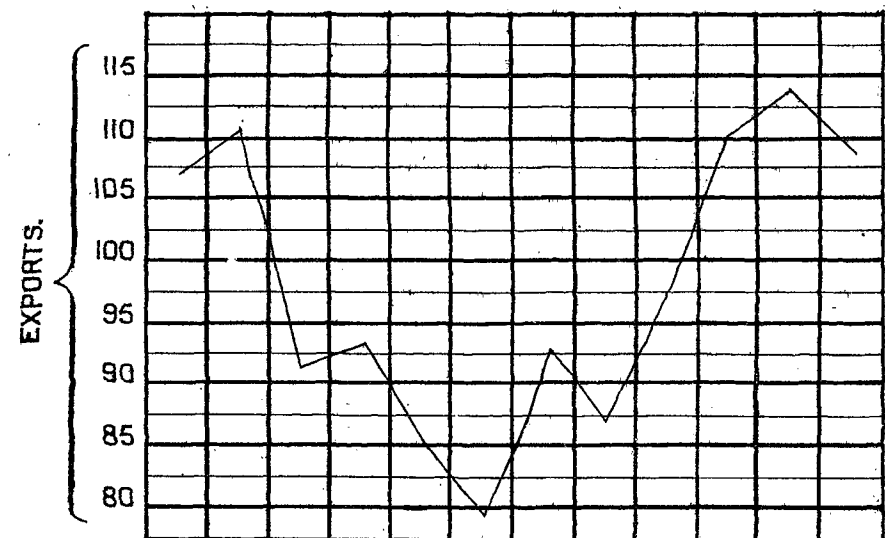
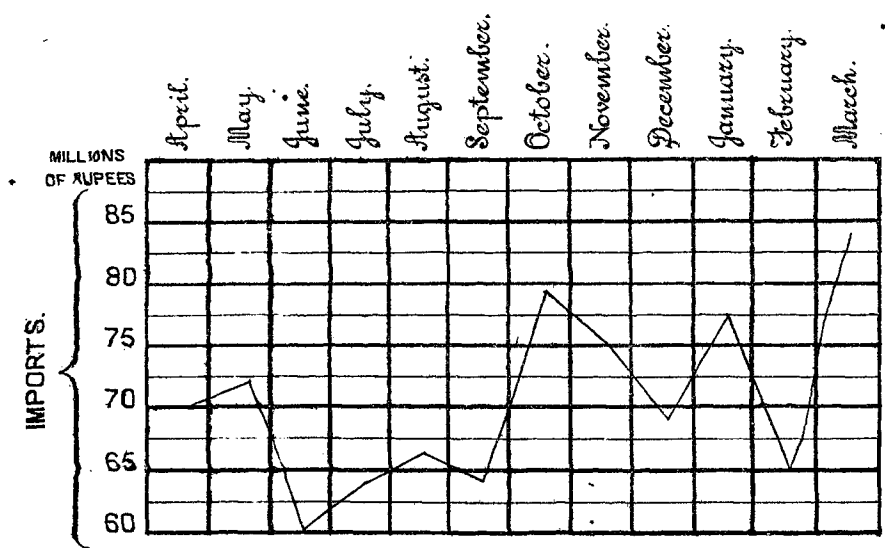
	£	Exchange. Pence.	Rx.
1886-87	12,136,279	17'441	= 16,700,300
1887-88	15,358,577	16'899	= 21,812,400
1888-89	14,262,859	16'379	= 20,899,100
1889-90	15,474,496	16'566	= 22,418,700
1890-91	15,969,033	18'089	= 21,185,900
1891-92	16,093,854	16'733	= 23,082,800
1892-93	16,532,215	14'984	= 26,478,400
1893-94	9,530,234	14'546	= 15,723,600
1894-95	16,905,102	13'1	= 30,969,900
1895-96	17,664,493	13'638	= 31,085,500

In 1893-94 a temporary inflation of the import trade and an equally temporary restriction of the export trade, following on the closure of the mints, combined with a great reduction in the amount of Council bills, left the excess of exports over imports very low. These exceptional conditions ceased to exist in 1894-95, and in that year, and again last year, trade and Council drawings were conducted on the normal basis. The excess of exports over imports was, it will be observed, somewhat smaller last year than in 1894-95, but the amount of Council bills was larger. The rate of exchange, however, was higher, and the cost of the bills in rupees was not so much larger than the cost in 1894-95 as was the amount in sterling.

In these ten years the exchange value of the rupee has fallen 21·8 per cent; the excess of exports over imports was Rx. 212,401,300; and the cost of the Council bills drawn was Rx. 230,357,600.

The current of the trade of India does not flow with fairly equal strength throughout the year, but is concentrated more or less in one period, commonly known as the busy season, this period extending over the eight months from October to May. The other four months of the year, June to September, are

MONTHLY FLUCTUATIONS OF TRADE.



the period of ebb-tide in commercial affairs for imports as well as exports, as will be seen from the diagram annexed, though for exports the tide does not fairly turn until November, and during this period the rate of exchange ordinarily falls to the lowest level of the year and the Council drawings are also the lowest.

Gold and Silver Coin and Bullion.

The imports and exports during the last ten years were :

		Rx.		
		Imports.	Exports.	Balance net Imports.
<i>Gold—</i>				
1886-87	..	2,833,600	656,500	2,177,100
1887-88	.	3,236,100	243,600	2,992,500
1888-89	.	3,119,100	305,200	2,813,900
1889-90	.	5,071,000	455,700	4,615,300
1890-91	..	6,500,800	864,700	5,636,200
1891-92	.	4,118,900	1,705,100	2,413,800
1892-93	.	1,781,300	4,594,500	—2,812,700 (<i>net exports.</i>)
1893-94	.	3,146,500	2,505,300	641,200
1894-95	.	1,756,300	6,730,400	—4,974,100 (<i>net exports.</i>)
1895-96	..	5,029,300	2,503,300	2,526,000
<i>Silver—</i>				
1886-87	..	8,219,700	1,064,000	7,155,700
1887-88	.	10,589,800	1,361,100	9,228,700
1888-89	.	10,725,900	1,479,200	9,246,700
1889-90	.	12,388,500	1,450,600	10,937,900
1890-91	..	15,433,600	1,258,500	14,175,100
1891-92	.	10,603,700	1,581,500	9,022,200
1892-93	.	15,228,000	2,364,400	12,863,600
1893-94	.	15,314,700	1,594,900	13,719,800
1894-95	.	7,824,900	1,495,700	6,329,200
1895-96	..	8,338,700	1,756,500	6,582,200

The course of the trade in gold, which was disturbed in a very exceptional degree in the three years preceding last year, returned to its normal direction in 1895-96, and there was a considerable net import of the metal. During the present year, as far as it has gone, the return of the trade to its normal direction (which is a substantial import of gold in excess of the exports) is still more manifest.

The value of the silver imported was slightly larger than in 1894-95, but this only means that the price ranged higher; for the quantity imported (that is, the quantity imported in excess of the exports) was slightly smaller.

The quantity imported (net) in each of the last five years is stated below, with the quantity which passed into the mints of the native States :—

Quantity imported (net).			Quantity passed into the native mints.		
1891-92	.. ounces	32,348,438	1891	.. ounces	4,147,266
1892-93	.. "	45,523,512	1892	.. "	5,817,070
1893-94	.. "	54,328,973	1893	.. "	7,476,500
1894-95	.. "	27,040,022	1894	.. "	3,297,435
1895-96	.. "	27,018,079	1895	.. "	4,115,926

As was pointed out in last year's issue of this review, the coinage of the native States accounts for only a small proportion of the imports—about 15 per cent last year—and the remainder must have been used for the purposes then

mentioned, namely, (1) absorbed in the manufacture of ornaments, (2) sent across the frontiers into the neighbouring countries, (3) buried as a hoard either in substitution of disinterred rupees (though there is no evidence of such unhoarding to any very large extent) or as additions to existing hoards, and (4) left in stock with dealers.

It will be noticed that the imports of the last two years are not quite equal to the imports in the one year 1893-94, and it may be added that during the present year, as far as it has gone, the level of net imports has been further reduced.

The descriptions of silver imported and exported in the last two years were as follows :

	Imports (Rx.)		Exports (Rx.)	
	1894-95.	1895-96.	1894-95.	1895-96.
Bars, from London	6,864,443	7,474,972	13,292	35,766
Rupees (Government of India)	814,452	734,601	1,301,707	1,068,340
Dollars	117,609	109,043	77,920	619,251
Other coin	6,223	11,100	34,724	5,627

The dollars exported last year were the new British dollar coined in the Bombay mint for circulation in the Straits and Hongkong.

To illustrate the effects of the closure of the mints in June 1893 on the sterling or exchange value of the rupee and the relation of the fluctuations in that value to the fluctuations in the price of silver, a diagram has been constructed which is inserted opposite this page. This diagram, as the note on its face explains, is constructed on the basis of the exchange value of the rupee in India and the price of silver in London on the first of June 1893 being taken to represent 100. The mints were closed on the 26th of the same month.

The diagram brings out very clearly some interesting facts in the ante-closure and post-closure periods.

As regards the former it will be observed—

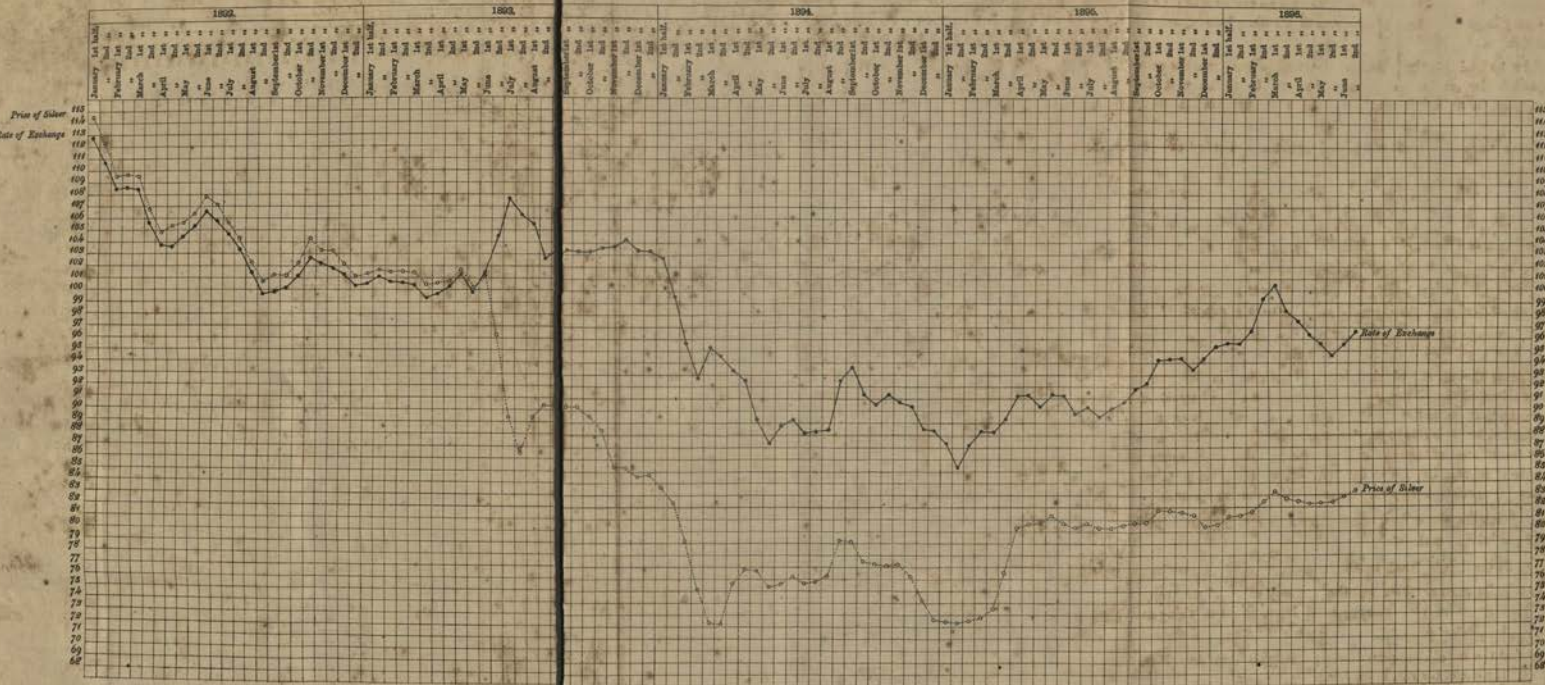
- (1) that the price of silver and the sterling value of the rupee ran all through in very close parallel lines, the two rising and falling together, and
- (2) that the line of the price of silver during all that period was above the line of the rate of exchange.

It is clear that, until the closure of the mints, the price of silver was the dominating factor in the price of the rupee, the latter being regulated by the former.

The differences between the first and second periods are very striking:

- (1) the moment the mints were closed the lines, hitherto closely parallel, diverged, the line of the rate of exchange shooting up and the line of the price of silver shooting downwards;
- (2) the first great rise in the sterling value of the rupee was not justified except by anticipation and was not maintained;
- (3) the first great fall in the price of silver was the result of panic and there was some little recovery, but the recovery was not maintained and silver continued to drop heavily for some months;

Diagram of the Course of Exchange in India and the Price of Silver in London in 1892, 1893, 1894, 1895, and the first half of 1896.



NOTE.

The Chart is intended to exhibit the Price of Silver and the Course of Exchange before and after the closure of the Indian Mints on the 26th June 1893. The data of the Chart are:-

Price of Silver on 1st June 1892 = 37½ d. per Ounce.

Rate of Exchange on " " (Colonial Demand) = Rs. 2½ d. per Rupee.

These have been taken each to represent 100, and the curves of the diagram represent the fluctuations in half-monthly averages on that basis.

- (4) meanwhile, during this period, while the price of silver was falling the sterling value of the rupee remained very steady and comparatively high, evidently quite independent of silver but dependent on the sales of Council bills which were suspended until January. All this time, that is, from August 1893 to January 1894, though silver was falling to an even lower level than that of the panic fall of June and July, the sterling value of the rupee remained higher than the rate for the half-year preceding the closure of the mints;
 - (5) the announcement of the Secretary of State in January 1894 that Council bills would be sold as before to the highest bidder, sent the sterling value of the rupee headlong down, and its downward course continued, with fluctuations, for a year, the lowest point being reached in January 1895;
 - (6) meanwhile the price of silver, which seemed to have been steady in the last two months of 1893, fell rapidly and heavily immediately after the announcement in January 1894 regarding the sale of Council bills, and as there was no other reason for the fall it is not unreasonable to infer that the fall, which followed the fall of the rupee, was caused by that fall;
 - (7) since then every rise or fall in the value of the rupee has been accompanied by a rise or fall, though not exactly a similar rise or fall, in the price of silver;
 - (8) but, though the lines run up and down in the same direction and at or about the same time, they do not run exactly parallel as they did before the closure of the mints, and the variations between the highest and lowest levels exhibited in the diagram differ in different periods;
 - (9) for the last fourteen months, while silver has been relatively very steady, fluctuating only three points, the value of the rupee has ascended and descended with much fluctuation and the range of fluctuation has been as much as 11 points;
 - (10) the line of the price of silver which, before the closure of the mints, was always above, though very close to, the line of the sterling value of the rupee, at once, after the closure, fell below that line, and has since retained that lower and reversed position;
 - (11) the two lines, while reversing their relative positions, also parted company, a wide space being established at once between the two, and during the three years which have passed since the first divergence of the lines there is no indication of their reapproximation: on the contrary, during the last twelve months of the three years the tendency seems to be for the divergence to increase.
- Positive and final conclusions can hardly as yet perhaps be formulated on the data in our possession, but the facts, as far as they go, seem to furnish some basis for postulating at least provisional conclusions. These are:—
- (a) that the closure of the mints did materially alter the relative positions of the rupee and silver;

- (b) that the rupee since that date has not followed the course of silver, and that a wide, and apparently widening, distance has been established between them partly as a consequence of the closure and partly as a consequence of the imposition of the import duty on silver;
- (c) that whereas before that date the price of silver obviously determined the sterling value of the rupee, it would seem that since that date the value of the rupee is determined by quite other factors;
- (d) that with the reversal of the relative positions (as shewn by the lines on the diagram) of silver and the rupee, the rupee has become the dominant factor and, more or less and on the whole, determines the price of silver.

A consideration of the facts of the production of silver and of the silver market will perhaps make this last conclusion seem less singular than it looks at first sight. While the Indian mints were open and the United States Treasury were purchasers of 54 million ounces of silver annually, India and the United States were practically the only two large wholesale purchasers of silver in the world. When both these outlets for silver were closed, India still remained the only large wholesale market for silver. The imports are now rather more than half as large as the average imports before the closure, the reason being that, though most of the silver imported before the closure was passed into the mints at once, a large proportion went there only for the purpose of the attachment of a sort of hall-mark to it, the rupees being forthwith transferred to the melting pot and converted into ornaments. This manufacture still goes on unabated, but rupees are too dear to be any longer used for the purpose, and ornaments are now made from imported bars and coin. This demand is not, it is true, equal to more than about a sixth of the production of silver, but it is a regular and wholesale demand while all the other demand for silver is of a fitful and more or less retail character, and the silver market, which is of a very sensitive nature, is, in its general movements over a period, evidently more affected by the Indian demand than by all other demands put together. Therefore, when the conditions of trade (or speculation) induce a rise in the exchange value of the rupee, and Indian dealers in silver think it will be profitable to import the metal, an immediate effect is produced upon the silver market which responds to the rise in the value of the rupee by a more or less equivalent rise in the price of silver. There certainly are times when silver is not affected by the rupee, and moves up or down independently of it and in response to other influences. This was seen in the second half of 1893, as shewn in the diagram, during the period that exchange was upheld by the abstention from sale of Council bills, and it has been seen again from time to time since (as at the end of 1894 and beginning of 1895), though for such brief periods that the independent movements are scarcely visible in the diagram. On the whole, however, such movements are of a transitory and fleeting character, and the general movement of the silver line is distinctly responsive to the general movement of the rupee line.

CHAPTER VI.

Shipping.

Total number and tonnage of the shipping, steam and sailing, with cargoes and in ballast, which entered from and cleared to foreign countries, during each of the last five years :

	No.	Tons.	Average tonnage.
1891-92 .	11,158	8,590,651	770
1892-93 .	10,723	7,692,291	717
1893-94 .	9,995	7,665,886	767
1894-95 .	10,577	8,255,822	780
1895-96 .	10,297	8,226,600	799

The tonnage was very little below the level of last year, but, the average burden of vessels having again increased, there was a more noticeable reduction in the number of vessels. As the tonnage has increased in recent years the number of vessels has fallen off, the average tonnage having increased in nine years from 660 to 799 tons.

Steamer tonnage represented 85 per cent of the whole. The total number of steamers which entered and cleared was 4,396 with an aggregate burden of 6,980,250 registered tons, the average tonnage of each steamer being 1,588 tons. About 5 per cent of the steamers which cleared left in ballast.

Of the total of 8,226,600 tons, the entries from and clearances to the United Kingdom were 2,667,230, and 32·4 per cent of the total against 33·7 per cent in 1894-95. Entries from and clearances to British possessions increased from 2,773,096 tons to 2,897,981 tons. There was a decline in the tonnage of vessels entered from and cleared to foreign countries :

	No.	Tons.
1893-94 .	2,808	2,575,413
1894-95 .	2,830	2,698,084
1895-96 .	2,831	2,661,389

The relative proportions of tonnage entered and cleared last year were as follow :

From and to the United Kingdom about 32·4 per cent of the whole.

"	"	British possessions	"	35·2	"	"	"
"	"	foreign countries	"	32·4	"	"	"

The vessels carrying the trade of India for the most part fly the British flag, the tonnage of vessels sailing under that flag representing 80·7 per cent of the whole against 82 per cent in the preceding year.

The tonnage of vessels under foreign flags was 14·2 per cent of the whole : it was 12·4 per cent in the preceding year.

The proportion of the tonnage of vessels under the British Indian registry was about 3·2 per cent of the whole. These are all sailing vessels of small tonnage.

The total number of vessels under foreign flags which entered and left last year was 1,298 against 1,182 in 1894-95, their burden aggregating 1,169,700 tons against 1,025,993 tons in 1894-95. The principal flags were—

	1894-95.		1895-96.	
	No.	Tons.	No.	Tons.
German	238	362,454	270	423,753
Italian	61	119,518	59	115,328
Austrian	105	218,030	114	237,358
French	89	81,482	132	162,488
Norwegian	91	94,943	88	93,075
Arab	462	62,052	498	69,058
American	10	12,156	9	8,290

The tonnage under the German and Austrian flags continues to increase, and last year saw a very large increase in French tonnage which had been declining for some time previously. This was caused by new services of the Messageries Maritimes calling at Bombay. It is worthy of note that the German and Austrian flags now cover more than half of all the foreign tonnage which enters and leaves Indian ports.

The native craft remain, both as regards number and tonnage, at about the level of 1894-95 :

	No.	Tons.
1891-92	3,202	171,149
1892-93	3,153	166,404
1893-94	2,966	158,673
1894-95	2,985	156,788
1895-96	3,004	156,805

The shipbuilding industry in India continues to be on the most restricted scale. The numbers built in the last two years were as follows :

	1894-95.				1895-96.			
	Steamers.		Sailing vessels.		Steamers.		Sailing vessels.	
	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.
In Bengal	...	...	6	1,073	...	...	1	59
In Bombay	2	22	31	734	2	40	52	1,344
In Sind	...	...	7	284	...	...	10	236
In Madras	...	...	13	263	...	...	18	362
In Burma	...	...	9	435	1	52	6	119
Total	2	22	66	2,789	3	92	87	2,120

Section II.—Trans-Frontier Trade.

CHAPTER VII.

The total value of the trade, as well as the value of imports and exports separately, was almost exactly the same last year as in 1894-95, which was a year of unusually active trade in the slow-moving frontier traffic:

		Merchandise and treasure.		
		Imports.	Exports.	Total.
		Rx.	Rx.	Rx.
1891-92	.	4,249,592	4,067,644	8,317,236
1892-93	.	3,895,389	3,594,691	7,490,080
1893-94	.	4,351,251	3,698,321	8,049,572
1894-95	.	4,926,735	4,249,727	9,176,462
1895-96	.	4,959,428	4,220,460	9,179,888

These figures include treasure, but the record under that head is necessarily so fragmentary that in considering the geographical distribution of the trade it will be convenient to notice only the figures which relate to merchandise. These are shewn below against each principal country, the countries being arranged geographically, proceeding from west to east along the line of frontier:

		1891-92.	1892-93.	1893-94.	1894-95.	1895-96.
		Rx.	Rx.	Rx.	Rx.	Rx.
N.-W. Frontier	Lus Bela . . .	67,428	68,322	73,196	67,253	90,158
	Khelat . . .	54,439	77,604	91,134	119,206	118,488
	Kandahar . . .	995,445	532,085	664,021	608,852	667,543
	Zhob and Loralai . .	85,866	59,975	66,410	70,598	71,283
	Sewestan . . .	155,025	124,926	131,273	145,801	150,007
	Kabul . . .	871,759	831,351	594,046	427,765	471,236
	Tirah . . .	22,673	22,523	22,381	24,832	17,952
	Bajaur . . .	182,815	257,176	358,966	469,057	354,111
	Kashmir . . .	1,253,255	983,727	951,596	1,126,496	1,277,006
N. and N.-E. Frontier.	Ladakh . . .	51,737	49,630	53,032	80,835	81,521
	Thibet . . .	149,440	154,986	185,336	210,501	195,511
	Nepal . . .	2,891,523	2,527,104	2,597,386	2,947,891	3,037,475
	Sikkim . . .	33,992	41,877	48,774	72,166	86,481
	Bhutan . . .	54,926	42,149	43,095	32,419	34,963
	Hill Tipperah . .	49,680	65,592	56,605	43,470	72,573
	Western China . .	150,875	144,107	271,372	316,251	224,979
	Siam . . .	56,214	74,113	123,694	64,610	112,878
	North Shan States .	339,692	333,595	378,221	402,686	350,015
E. Frontier	South Shan States .	36,944	175,476	172,973	380,591	424,068
	Karenni . . .	188,518	253,419	234,744	243,718	235,444
	Zimmé . . .	195,598	232,601	316,615	228,543	208,610

The frontier trade may be classed in three great groups, as shewn above :

- (1) The trade of the N.-W. Frontier which crosses the frontiers of Sind, British Baluchistan, and the Panjab, and is conducted chiefly with Kandahar (by railway); with Kabul; the border country lying between India and Afghanistan; Kashmir (including Ladakh); and that portion of the trade with Thibet which crosses the Panjab frontier. This trade amounted in the year to Rx. 3,318,379 and was about 40 per cent of the whole trade in merchandise, which amounted to Rx. 8,321,671.
- (2) The trade on the N. and N.-E. Frontier, which crosses the frontiers of the North-Western Provinces and Oudh, Bengal, and Assam. This trade amounted in the year to Rx. 3,447,297, and was 41.4 per cent of the whole trade. It is carried on chiefly with Nepal and Thibet, the trade with the latter country being, however, relatively insignificant.
- (3) The trade on the E. Frontier, which crosses the frontier of Burma and is conducted with China, Siam, the Shan States, Karenni, and Zimmé. This trade amounted to Rx. 1,555,994, and was 18.7 per cent of the whole trade.

The trade in treasure, as far as it is recorded, may be separately stated here (Rx) :

<i>Imports.</i>		<i>Exports.</i>	
Into the Panjab—		From the Panjab—	
From Kashmir	66,516	To Kashmir	31,104
„ Ladakh	960	„ Kabul	20,018
„ Sewestan	4,331	„ Sewestan	970
		„ Ladakh	4,226
		„ Thibet	467
		From the North-Western Provinces—	
		To Thibet	1,607
Into Bengal—		From Bengal—	
From Nepal	68,354	To Thibet	9,665
„ Thibet and Sikkim	1,196	„ Sikkim	3,124
		„ Nepal	90,255
Into Assam—		From Assam—	
From Towang	100	To Bhutan and the Daffa Hills	93
Into Burma—		From Burma—	
From North Shan States	71,980	To North Shan States	47,288
„ South „ „	107,469	„ South „ „	72,385
„ West China	46,413	„ West China	13,658
„ Siam	6,641	„ Siam	49,753
„ Zimmé	21,682	„ Zimmé	7,950
„ Karenni	1,372	„ Karenni	108,638

The mere statement of such figures dispenses with the necessity of any comment. It is sufficient to remark that they are manifestly incomplete and inaccurate.

N.-W. Frontier.

The bulk of the trade which crosses this frontier is carried on with Kandahar, Kabul, Bajaur, and Kashmir.

Kandahar.

The value of the trade with Kandahar during the last four years has been :

	1892-93.	1893-94.	1894-95.	1895-96.
	Rx.	Rx.	Rx.	Rx.
Imports	234,428	335,849	299,090	410,541
Exports	297,657	328,172	309,762	257,002

The increase in imports last year was largely in raw wool (which is one of the staples of the trade), ghi, and wheat. The decline in exports was in cotton goods and woollen goods.

Kabul.

The trade with Kabul in the last four years has been :

	1892-93.	1893-94.	1894-95.	1895-96.
	Rx.	Rx.	Rx.	Rx.
Imports	220,850	188,831	160,400	165,003
Exports	610,501	405,215	267,365	306,233

Although there was a small recovery in the exports, our trade with Kabul continues in the decadent condition to which attention has frequently been drawn, but for which there appears to be no remedy as long as the Amir persists in his oppressive fiscal régime. The establishment of monopolies in most of the principal articles of trade; the imposition of heavy import and transit duties; the rigorous discouragement by the Russians of the entrance of British and Indian goods into the trans-Caspian region *via* Afghanistan or Persia; their encouragement of the sea route *via* Batum for the importation of such goods; and the advantages of rapid, secure, and cheap sea and railway transport over tedious, insecure, and costly land transport effected by means of camels; the combination of all these causes has depressed the internal trade with Afghanistan and practically extinguished the transit trade.

The export trade in tea is noteworthy in connection with the remarks made on the increase in the exports by sea :

	Foreign Tea.	Indian Tea.
	lbs.	lbs.
1891-92	784,336	703,920
1892-93	879,536	375,536
1893-94	597,968	152,880
1894-95	388,864	150,528
1895-96	155,792	175,280

The condition of the import and export trade generally may be measured by the following figures of the value of the trade in the principal articles in the last four years :

	1892-93.	1893-94.	1894-95.	1895-96.
	Rx.	Rx.	Rx.	Rx.
<i>Imports :</i>				
Horses, ponies, mules	16,200	27,079	18,759	32,540
Drugs and medicines	14,849	11,320	11,962	9,661
Fruits, &c.	98,353	60,198	56,502	46,422
Hides, skins, and leather	13,788	17,943	14,019	17,775
Ghi	35,088	24,900	20,086	17,042
Wool, raw and manufactured	15,023	12,908	11,927	13,961

	1892-93. Rx.	1893-94. Rx.	1894-95. Rx.	1895-96. Rx.
<i>Exports:</i>				
Cotton yarn	5,215	6,083	8,674	11,530
„ piece-goods	430,978	275,235	151,400	172,488
Dyeing materials	10,552	9,004	15,218	17,823
Leather	14,433	10,446	7,599	15,251
Brass, copper, and iron	14,945	12,404	11,421	11,688
Sugar	15,055	15,714	10,228	8,895
Tea	99,874	61,112	45,097	27,129

Bajaur.

Trade with Bajaur has declined, as was anticipated in the review for 1894-95, in these remarks: "It is probable that the record of trade with Bajaur in 1895-96 may present a pause in progress in consequence of the occupation of the valley by the Chitral Relief Force."

	1892-93. Rx.	1893-94. Rx.	1894-95. Rx.	1895-96. Rx.
Imports	109,119	146,996	191,836	132,910
Exports	148,057	211,970	277,221	221,201

Kashmir.

	1892-93. Rx.	1893-94. Rx.	1894-95. Rx.	1895-96. Rx.
Imports	507,329	422,888	513,555	636,388
Exports	476,398	528,708	612,941	640,618

There was a large increase in imports of food-grains, attracted by the high prices which prevailed in the Panjab in consequence of unsatisfactory harvests. Other articles also increased more or less largely. In the export trade there was a moderate increase generally. Cotton goods represent about half the whole trade. There was a notable increase in the export of Indian tea, of which doubtless larger supplies are required, as of other stores, by the rapidly increasing number of Europeans who now spend the summer in the valley. The supply of stores to the garrisons of Gilgit and Chitral also increases the record of trade, and the transit trade with Central Asia is said to be increasing.

*N. and N.-E. Frontier.**Thibet.*

* The trade with Thibet continues small, and will continue to do so. A great deal has been written, said, and done in connection with this trade, so much indeed that the restricted dimensions of the business will come as a surprise to anybody not conversant with the conditions. The conditions are: a sterile and inhospitable region, sparsely populated by a miserably poor and barbarous race; the roads to this region leading through and up one of the highest mountain chains in the world, the tracks being practicable only for a portion of the summer months and hardly passable for laden beasts; a government of monks who combine with the leadership of religion and of the State the monopoly of trade, which it suits them to conduct with China. In these conditions it is futile to consider the possibilities of development of trade with this region. The value is (Rx.):

	1893-94.	1894-95.	1895-96.
Imports	124,616	145,256	127,185
Exports	60,720	65,245	68,326

Nepal.

	1892-93. Rx.	1893-94. Rx.	1894-95. Rx.	1895-96. Rx.
Imports	1,344,937	1,493,012	1,716,653	1,765,341
Exports	1,182,167	1,104,374	1,231,238	1,272,134

The principal articles in this comparatively extensive trade, far the largest on the whole frontier, are these :

	1893-94. Rx.	1894-95. Rx.	1895-96. Rx.
<i>Imports :</i>			
Horses, cattle, sheep and goats	131,122	140,354	140,612
Hides and skins	64,139	53,325	52,380
Drugs, non-intoxicating	37,580	44,989	66,588
Rice, husked and unhusked	589,790	628,436	635,624
Other food-grains	84,683	166,903	179,540
Ghi	68,410	70,236	75,544
Provisions—other kinds	59,061	100,127	82,962
Linseed	85,065	114,016	117,100
Mustard and rape and other oilseeds	123,782	96,359	88,242
Spices	35,331	40,495	57,426
Tobacco	63,617	63,245	52,965
Timber	63,574	85,415	81,361
<i>Exports :</i>			
Cotton yarn	102,582	97,036	95,606
„ piece-goods	414,187	511,185	448,145
Metals	77,520	80,608	98,495
Provisions	89,469	115,467	129,147
Salt	89,173	92,613	93,469
Spices	56,842	69,608	103,031
Sugar	39,923	44,555	54,789
Tobacco	33,310	31,759	42,173

A trade in petroleum appears to be growing up, the value of the exports of such oil last year being recorded at Rx. 27,779.

A somewhat considerable trade in salt has also been created as the result of a difference between the Nepalese and Thibetans who used to barter Thibetan salt for Nepalese rice. Now the Nepalese are taking Sambhar salt from India.

E. Frontier.

Western China.

There has been a somewhat disappointing restriction in the trade with Western China, though it is perhaps unreasonable to expect much progress in this trade until the conditions of transport and of Chinese administration are greatly ameliorated. The import trade is trifling except in raw silk and orpiment, and in those articles it is not trifling only by comparison with the other things. The articles which predominate in the export trade are raw cotton and cotton yarn and piece-goods. Exports, however, increased very largely, a considerable trade having been done in raw cotton and cotton piece-goods and yarn.

The trade of Burma with Western China, Siam, and the other regions on the Eastern frontier amounted last year to the substantial figure of Rx. 1,555,994.

From the Northern Shan States the principal imports are provisions and tea; from the Southern Shan States lac, cattle, and fruits; and from Siam cattle. From Karenni and Zimmé the chief import is teakwood. To all these regions the principal exports are cotton yarn and piece-goods and silk piece-goods, also some metals and metalware. There will doubtless be a great expansion of trade with the Northern Shan States when the railway from Mandalay to Kunlon is completed.

General.

The nature of the trade carried on across the frontiers will be understood from the subjoined list of the principal imports and exports and their values in the last three years :

<i>Imports.</i>				<i>Exports.</i>			
	1893-94. Rx.	1894-95. Rx.	1895-96. Rx.		1893-94. Rx.	1894-95. Rx.	1895-96. Rx.
Animals, living :				Animals, living . . .	56,574	62,055	67,484
Horses, ponies, mules . . .	74,475	63,206	68,179	Cotton, raw . . .	106,674	131,135	82,675
Cattle	217,925	179,669	229,191	Cotton yarn :			
Other kinds	75,510	75,908	76,733	European	151,680	169,346	177,475
Drugs and medicines	90,042	113,496	157,066	Indian	54,603	75,715	78,042
Dyes	41,209	37,860	37,471	Cotton goods :			
Fruits, vegetables, and nuts	284,997	284,491	295,047	European	1,015,586	1,208,552	1,113,605
Grain and pulse	769,539	882,053	921,873	Indian	445,100	437,365	426,585
Hides, skins, and horns	148,935	170,259	147,985	Dyes :			
Oilseeds	235,761	228,347	247,581	Indigo	38,803	40,130	45,012
Provisions :—				Other kinds	22,956	26,029	20,667
Ghi	364,954	374,563	368,765	Grain and pulse	88,970	72,744	91,575
Other sorts	218,904	264,773	222,985	Metals, mainly brass, copper, and iron	191,978	181,626	206,987
Silk, raw	85,458	74,065	50,637	Provisions	152,380	211,791	216,444
Spices	50,886	64,110	80,397	Salt	188,044	220,253	236,459
Tobacco	70,833	72,254	61,959	Silk goods	63,708	83,112	83,254
Wood and timber, chiefly teak	597,112	662,389	663,481	Spices	86,748	114,191	144,183
Wool, raw	263,628	269,028	322,353	Sugar	150,328	172,369	168,084
Woollen goods	67,649	88,522	106,907	Tea :			
				Indian	40,754	33,727	51,831
				Foreign	59,999	46,328	22,275
				Tobacco	61,612	63,114	72,913
				Woollen goods	87,051	79,869	55,567

Section III. —Coasting Trade.

CHAPTER VIII.

The total trade, imports and exports, merchandise and treasure, was in the last ten years :

	Rx.		Rx.
1886-87 .	56,165,363	1891-92 .	67,896,004
1887-88 .	60,738,634	1892-93 .	66,097,209
1888-89 .	60,166,070	1893-94 .	68,446,208
1889-90 .	59,211,043	1894-95 .	70,317,044
1890-91 .	65,586,392	1895-96 .	74,604,638

Taking the export value as representing the actual value, the trade of the last five years compares thus, in Rx. The figures do not include exports of Government stores or treasure.

	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.
Merchandise (Indian) .	23,468,875	23,230,640	23,250,899	25,027,220	26,229,816
„ (foreign) .	6,829,130	7,150,335	7,250,196	7,541,147	7,849,686
Treasure .	2,727,792	2,080,176	1,602,580	2,113,256	1,787,686

The increase in merchandise, following on the considerable increase in the preceding year, must be regarded as very satisfactory.

Indian Merchandise.

The principal articles in the trade are mentioned below, in the order of their importance, and placed against them are their import values in the last five years, that is, the value of the imports into British Indian ports :

	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.
	Rx.	Rx.	Rx.	Rx.	Rx.
1. Cotton, raw	3,657,586	4,114,713	6,729,792	3,786,435	5,683,021
2. Grain and pulse	4,641,340	4,418,857	5,045,071	4,921,191	5,341,331
3. Cotton manufactures, including twist and yarn	2,195,276	2,000,024	2,251,103	2,608,291	2,788,275
4. Seeds	1,180,536	1,156,905	1,258,836	1,594,370	1,862,329
5. Jute manufactures	1,800,649	1,526,056	1,509,766	1,516,369	1,692,023
6. Spices	1,248,503	1,338,890	1,384,044	1,457,682	1,276,782
7. Oils	731,126	723,706	811,348	861,527	1,031,056
8. Teak timber	789,746	821,464	849,864	887,092	995,729
9. Provisions	830,881	942,234	876,026	811,855	940,226
10. Salt	945,242	927,690	863,625	979,993	937,681
11. Cocoanuts and kernel	999,269	775,371	808,176	1,035,572	879,162
12. Tobacco	650,666	727,963	577,521	593,048	695,640
13. Jute, raw	761,091	677,272	676,994	604,447	675,036
14. Sugar	634,724	644,328	635,705	595,471	630,008
15. Hides and skins	514,173	556,896	510,099	550,923	574,725
16. Spirits	397,733	400,972	409,764	409,659	462,395
17. Timber and wood, other than teak	394,135	380,086	384,469	412,474	457,273
18. Coal	192,001	269,104	285,314	244,455	407,701
19. Coffee	420,640	557,420	331,593	368,213	391,931
20. Tea	253,820	128,218	168,950	194,652	242,773

With the occurrence of a very good crop of cotton there was a large recovery in this trade ; there was also some increase in food-grains ; and the trade in cotton goods and yarn increased with the further revival of the mill industry. In most other important items also the trade increased.

Coasting Shipping.

The following table gives the number and registered tonnage of the vessels engaged in the coasting trade during the last five years (ooo's omitted in tonnage) :

Entered.

	STEAMERS.		SAILING VESSELS.		NATIVE CRAFT.	
	No.	Tons.	No.	Tons.	No.	Tons.
1891-92	8,868	9,161	2,774	217	160,294	2,700
1892-93	8,968	9,372	2,582	232	155,167	2,656
1893-94	9,224	9,974	2,695	239	153,348	2,574
1894-95	9,673	10,204	2,919	200	150,728	2,547
1895-96	9,829	10,581	3,396	219	159,755	2,728

Cleared.

1891-92	8,862	9,099	2,636	196	149,785	2,555
1892-93	8,996	9,409	2,605	241	145,834	2,625
1893-94	9,238	9,996	2,675	223	143,503	2,547
1894-95	9,697	10,243	2,788	200	144,289	2,544
1895-96	9,772	10,480	3,461	211	151,073	2,665

It will be seen from this table that more than three-fourths of the tonnage engaged in the coasting trade is now steamer tonnage, which constitutes about 78 per cent of both entries and clearances.

J. E. O'CONOR.

SIMLA ;

August 31, 1896.

Government of India
STATISTICAL BUREAU

REVIEW

OF THE

TRADE OF INDIA

IN

1896-97

- I.—Foreign Sea-borne Trade
 - II.—Trans-Frontier Trade
 - III.—Coasting Trade
-

By J. E. O'CONOR, C.I.E.

DIRECTOR-GENERAL OF STATISTICS TO THE GOVERNMENT OF INDIA

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THE TRADE OF BRITISH INDIA

WITH FOREIGN COUNTRIES

for the official year ending March 31, 1897.

INTRODUCTORY.

General Summary.

The imports and exports of the year are set out below in comparison with *Total values*. those of the preceding four years (in Rx.):

Imports—

	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
Merchandise	62,605,030	73,956,957	70,167,438	69,316,395	71,914,697
Gold	1,781,789	3,146,530	1,756,280	5,029,269	4,491,179
Silver	15,228,021	15,278,726	7,802,727	8,329,716	8,584,174
Total Imports	79,614,840	92,382,213	79,726,445	82,675,380	84,990,050

Exports—

Foreign merchandise re-exported	4,590,290	4,431,975	5,057,414	4,717,516	4,033,637
Indian merchandise	101,945,707	102,015,615	103,757,585	109,545,624	99,880,660
Gold	4,594,472	2,505,284	6,730,374	2,503,317	2,200,141
Silver	2,334,522	1,519,453	1,427,643	1,728,984	2,725,750
Total Exports	113,464,991	110,472,327	116,973,016	118,495,441	108,840,188

The first six months of the year promised fairly enough, although the wheat trade was greatly contracted and the exports of rice were also below the level of the preceding year. An ordinarily good rainy season for the autumn crops would certainly have been followed by increased trade, and the year would have ended with a substantial advance in the movement of trade. But the rains, which promised well until the middle of August, then ceased, the monsoon withdrawing (at least a month too soon) from the Indian region, and the crops in the ground failed, except where artificial irrigation could be resorted to. The failure became a disaster when the spring crops were also seriously injured, except in irrigated tracts, by the failure of the winter rains in many tracts. Cotton, oilseeds, rice (except in Burma), and wheat, all were much below the average, and the excessively high range of prices of food-grains practically put an end to the export of wheat, while the exportable rice of Burma was largely diverted to India instead of being taken to other countries.

It became clear in October that intense famine would afflict vast areas of the country, and in the same month it became known that bubonic plague was epidemic in Bombay. The plague increased during the cold weather months, and Karachi and many other places in the Bombay Presidency and in Sind were infected. Its consequences seriously aggravated the effects on trade of high prices and bad crops. Trade and industry were dislocated for a period in Bombay by the flight from the city of traders, mill operatives, artisans, labourers, and domestic servants. Some of the cotton mills were compelled to cease work, and many more were able to work only short time. The export trade was further

embarrassed towards the end of the year by the quarantine regulations imposed against Indian goods by other countries, and the import trade was also affected by the absence of importers who had fled from the city, leaving their goods to be stored in warehouses and dock sheds pending their return.

A still further impediment to trade existed in the second half of the year in the stringency of the money market, the immediate causes being the withdrawal of money from the commercial centres to the interior for the purposes of famine relief and railway construction, while at the same time the revenue due to the State was slow in coming in owing to the failure of the crops. The Bank rate, which in April 1896 was 7 per cent, fell gradually in the succeeding months to 3 per cent, until September when it rose to 5. In October the rate increased to 7, in November to 8, and in December to 10 per cent, at which rate it remained for the remainder of the year. The period from November to the end of March is the most active period of the export season, and the high rate for money sensibly interfered with operations.

It is then a matter of surprise that, when the adverse conditions are considered, trade should not have declined by more than 3·6 per cent on the aggregate of 1895-96, which was a year of good trade. The total value of the foreign trade in 1895-96 reached Rx. 201,170,821, and in 1896-97 the value was Rx. 193,830,238—a decline of Rx. 7,340,583—being 3·6 per cent. A much greater decline in the face of such a disastrous combination of conditions might reasonably have been expected. But the year was singular in other respects too. Although the export trade was depressed even in the first half of the year and went from bad to worse in the second half, the exchange value of the rupee gradually hardened instead of falling, and the rate of discount also, for the reasons already stated, increased as trade prospects became more gloomy. In former times of famine too a noticeable feature in trade was the flow of gold from India; but last year the flow was reversed and India absorbed almost as much gold as on the average of prosperous years.

The figures appended shew how sharply the trade declined in the second half of the year, with the first month of which both famine and plague declared themselves to be epidemic:

	Imports. Rx.	Exports. Rx.
April to September. 1895 . . .	38,014,446	54,415,832
April to September 1896 . . .	42,814,471	52,771,838
October 1895 to March 1896 . . .	44,660,934	64,079,609
October 1896 to March 1897 . . .	42,175,579	56,068,350

The whole decrease, it will be seen, was confined to the export trade, the import trade having in fact increased. Towards the end of the year indeed imports fell off with the interruption to business caused by the plague in Western India and with the gradual loss of purchasing power resulting from the prevalence of a famine level of prices of food; but the trade had been so active in the first half of the year that the slackness of the second half did not operate to reduce the total trade of the year below a level which was higher than that of the preceding year. It may be anticipated, however, that during the first six months of the present year the import trade will be at ebb tide.

The export trade fell off in the first half of the year, and the decline became more marked and rapid as the year drew to a close. This trade is exhibiting further contraction during the present year, but, if the present rains should be

normally distributed in normal quantity until the end of the normal period, the record of the second half of the year may present a different appearance—provided no other disturbing factors interfere.

The trade in cotton goods recovered from the decline which marked the year 1895-96, and imports were very active in the first half of the year. Large imports were also made of kerosene oil, while railway material was imported on a most unusually large scale. The importations of sugar and of woollen goods were also considerable, and so was the trade in machinery.

Imports.

Probably the imports of cottons would have been much larger but for the occurrence of famine, and there might have been a better trade generally in other articles most of which, other than those just mentioned, declined. But, while the famine had the effect of preventing or reducing the natural expansion of many articles, it had the effect of increasing the importations of food-grains to an extent unknown for many years.

The fluctuations of the import trade in the last three years, as indicated by the subjoined figures, are of some interest :

	1894-95. Rx.	1895-96. Rx.	1896-97. Rx.
Cotton goods	32,673,628	25,755,872	29,750,175
All other imported merchandise	37,493,810	43,560,523	42,164,522

The trade in cottons in 1895-96 declined by 21 per cent, and increased last year by $15\frac{1}{2}$ per cent. The trade in all other articles of imported merchandise increased in 1895-96 by 16 per cent to fall last year by 3 per cent.

The exchange value of the rupee continued to maintain its upward tendency, though with larger intermediate fluctuations than in the preceding year, the difference between the lowest and highest rates of the year being nearly 12 per cent. The rates were as follow for bank bills on demand in Calcutta :

Exchange, silver, and gold.

	Highest.	Lowest.	Difference per cent.
1894-95	$13\frac{1}{8}d.$	$12\frac{1}{8}\frac{3}{4}d.$	10·18
1895-96	$14\frac{1}{8}d.$	$13\frac{3}{8}\frac{1}{2}d.$	11·6
1896-97	$15\frac{3}{8}\frac{1}{2}d.$	$13\frac{3}{8}\frac{5}{8}d.$	11·97

While the gold value of the rupee increased the gold price of silver drooped, the prices being as follow :

	1895-96.		1896-97.	
	Highest.	Lowest.	Highest.	Lowest.
Bombay	R 99 $\frac{3}{4}$	R 91 $\frac{3}{4}$	R 96 $\frac{1}{4}$	R 82
London	31 $\frac{5}{8}d.$	29 $\frac{1}{8}d.$	31 $\frac{9}{16}d.$	28 $\frac{5}{16}d.$

The difference between the highest and lowest rate in Bombay was 14·8 per cent and in London 10·3 per cent.

Since the end of the year the price of silver has continued to fall, until it has reached a depth never known before, while the exchange value of the rupee has continued to rise.

The net imports of gold amounted to 309,365 ounces, value Rx. 2,291,038 ; a quantity nearly as large as in 1895-96, notwithstanding the prevalence of famine over an extensive area.

The consumption of silver was also considerable, though not so large as in the years following the closure of the mints. The net imports amounted to 25,929,088 ounces, value Rx. 5,856,030. In 1895-96 the net imports amounted to 27,018,079 ounces, value Rx. 6,582,222.

Exports.

While imported merchandise increased, the export trade declined heavily. The re-exports of imported merchandise were smaller than they had been for years, in consequence of the interruption caused by the plague to the business of Bombay, where the bulk of the re-export trade is carried on.

In the exports of Indian merchandise attention is first directed to the decline in the exports of wheat, the trade having been reduced to almost the lowest level short of extinction; the trade was indeed practically extinct during the second half of the year, and has so continued up to the present. The continuance of the high level of prices which has prevailed since September 1896 precludes any hope of the proximate revival of the trade. But if the present rains continue to be favourable, and they are followed by an average harvest, there will be a fall in prices, and with a fair spring crop the shipments of wheat next year should again be extensive and, having regard to prices in Europe, highly profitable.

The export of rice and of other food-grains was also small. The whole quantity of rice, wheat, and other food-grains and pulse shipped from India in the year was only 1,591,000 tons, the average of the four preceding years (three of them not being good years for wheat) having been 2,186,000 tons.

The export of oilseeds declined for the same reasons which influenced the decline in the export of food-grains. For the last two years the trade in linseed and rapeseed has been reduced, by failure of the crops, to a very low level, and during the year the trade in two other important oilseeds, jinjili (sesamum) and earthnuts, was seriously restricted from the same cause; it also affected the exports of cotton, coffee, indigo, oils.

There was some set-off in an increased export of cotton yarn, jute and jute goods, tea, sugar, and some other articles. But as a whole the exports of Indian merchandise diminished by about Rx. 9,665,000, being nearly 9 per cent. Taking into consideration, however, the enormous area over which the crops partially or entirely failed and the impediments to trade caused by the prevalence of plague in Western India during the last six months of the year, it must be admitted that the decline is smaller than might have been expected.

The aggregate trade of the year—imports and exports together—is stated below, with the trade of the five preceding years :

<i>Excluding Government transactions.</i>			<i>Including Government transactions.</i>		
1891-92	.	Rx. 192,489,315	1891-92	.	Rx. 195,615,322
1892-93	.	„ 193,079,831	1892-93	.	„ 196,829,486
1893-94	.	„ 202,854,540	1893-94	.	„ 206,086,249
1894-95	.	„ 196,699,461	1894-95	.	„ 200,250,050
1895-96	.	„ 201,170,821	1895-96	.	„ 204,899,288
1896-97	.	„ 193,830,238	1896-97	.	„ 198,110,193

The excess of exports over imports, which reached the large sum of Rx. 37·2 millions in 1894-95 and Rx. 35·8 millions in 1895-96, fell to Rx. 23·8 millions last year.

Trade with countries.

Our trade with countries possessing a gold standard of currency was last year 74 per cent of the whole trade, countries with a silver standard having 26

per cent. Amongst the latter are included Japan; which country with its greatly expanding trade with India must in future be reckoned amongst the gold-standard countries, and Russia, which country should also in future be treated as a gold standard country. Our trade with the United Kingdom, in merchandise only, was about 47 per cent of our trade with the world in merchandise. This was larger than in 1895-96, but there was a small reduction in the trade, the value being Rx. 83,035,000 against Rx. 83,304,000, our trade with other countries as a whole having declined in greater proportion than the trade with the United Kingdom. Japan is the only country with which our trade has noticeably increased, though a larger business was done with Russia and Australia. With the Continent of Europe and the United States trade was much restricted, and there was also a contraction in the trade with China.

There was a large expansion in the trade with countries across the Indian frontier. The trade with Kabul and Kandahar continued on the inclined plane down which it has been descending for many years in consequence of the discouragement to which it is subject under the fiscal policy of His Highness the Amir; but the place of this dwindling trade is being taken by a rapid expansion of trade with Bajaur—that is, trade with the tract to which that borderland is an approach. The trade with Kashmir and Ladakh has also increased, and also that with Nepal, Western China, and the Shan States.

Frontier trade.

The unfortunate trade conditions of the year are reflected in the decline of the number and tonnage of the vessels which entered and left Indian ports. These are for steamers:

Shipping.

	<i>Entered.</i>		<i>Cleared.</i>	
	No.	Tons.	No.	Tons.
1894-95 .	2,200	3,445,091	2,172	3,367,398
1895-96 .	2,206	3,505,321	2,190	3,474,929
1896-97 .	2,114	3,351,324	2,076	3,278,661

The decline in sailing vessels is much more marked. The sailing tonnage (entered and cleared) is to the steam tonnage as only about one to six.

	<i>Entered.</i>		<i>Cleared.</i>	
	No.	Tons.	No.	Tons.
1894-95 .	3,109	711,295	3,096	732,038
1895-96 .	3,020	622,718	2,881	623,632
1896-97 .	2,892	532,665	2,858	535,935

Section I.—Sea-borne Foreign Trade.

CHAPTER I.

Imports of Merchandise.

The values of imported merchandise since 1869-70 stand thus :

	Exchange.	
	d.	Rx.
<i>Annual average, 1869-70 to 1873-74</i>	. 22'77	31,837,600
" 1874-75 to 1878-79	. 20'981	36,603,400
" 1879-80 to 1883-84	. 19'774	47,950,000
" 1884-85 to 1888-89	. 17'656	58,515,400
" 1889-90 to 1893-94	. 16'183	67,748,900
1894-95	. 13'1	70,167,438
1895-96	. 13'638	69,316,395
1896-97	. 14'45	71,914,697

These figures shew a continuous increase in the trade until there was a trifling set back in 1895-96, due to a contraction in the imports of cotton manufactures following on an inflated trade in the two preceding years when the requirements of the market were greatly exceeded. Last year the imports of cotton goods were again very large during the first half of the year and in excess of requirements. These imports, and an increase of as much as 75 per cent in the imports of railway material, caused the aggregate value of the import trade to exceed that of 1895-96 by 3'7 per cent. There were substantial increases in a few other articles—machinery, petroleum, and woollen goods—but, apart from these, most articles in the import trade present a decline. The increases and decreases per cent in the last two years in the most important items in the import trade are stated below :

	1895-96.		1896-97.	
	Increase.	Decrease.	Increase.	Decrease.
Apparel	11'1	...	...	4'9
Coal	...	4'8	...	30'2
Cotton goods	...	21'2	15'5	...
Drugs, medicines, and narcotics . .	14'8	...	...	8'8
Dyeing and tanning materials . .	19'7	...	...	14'9
Glass and glassware	19'5	...	...	5
Liquors	16'3	...	...	3
Machinery and millwork	32'5	...	8'4	...
Metals	29'1	...	...	15
Oils	41'2	...	9'6	...
Provisions	14	...	...	13'8
Railway materials	...	2'3	75	...
Salt	...	22'4	...	3'8
Silk, raw and manufactured	26'9	...	...	23'7
Spices	...	15'2	...	8'3
Sugar	8	...	1'4	...
Woollen goods	...	6'2	17	...

The fluctuations in the prices of the staple imports since 1873 are shewn below, the prices of March 1873 being taken to represent 100 :

		Grey shirtings, 8 @ 9 lbs.	Mule twist, grey yarn, Banner mills, No. 40.	Mule twist, Turkey red, No. 40.	Copper, sheathing.	Iron, flat, bolt, etc.	Total.
March	1873 .	100	100	100	100	100	500
June	1874 .	97	92	106	95	108	498
March	1875 .	86	92	102	103	93	476
"	1876 .	86	90	92	99	79	446
January	1877 .	78	90	85	92	67	412
"	1878 .	73	78	87	86	60	384
"	1879 .	76	75	78	80	56	365
"	1880 .	81	84	75	83	73	396
"	1881 .	82	82	69	81	56	370
"	1882 .	78	81	69	89	71	388
"	1883 .	82	74	54	80	60	350
"	1884 .	75	74	62	77	62	350
"	1885 .	76	72	58	64	54	324
"	1886 .	84	67	57	57	50	315
"	1887 .	81	62	57	65	53	318
"	1888 .	79	75	59	90	61	364
"	1889 .	81	75	57	98	65	376
"	1890 .	76	74	57	69	79	355
"	1891 .	74	70	56	71	62	333
"	1892 .	74	64	57	72	64	331
"	1893 .	77	74	62	80	97	390
"	1894 .	70	69	62	83	94	378
"	1895 .	71	70	62	90	106	399
"	1896 .	69	77	62	85	111	404
"	1897 .	70	66	62	85	110	393
July	1897 .	69	66	62	93	114	404

The rise in the price of iron since 1893 is noticeable. Copper has been subject to great fluctuations having their origin in speculative action, but this metal also has risen greatly in price since 1893. Cotton piece goods and yarn on the other hand have manifested a declining tendency since about the same period.

There was a heavy fall in the price of undyed yarn during the year ; and a rise in the price of copper and iron ; in cotton piece goods and dyed yarn there was no sensible variation.

The trade value of each of the classes under which the items are grouped in the trade returns in the last four years was, in Rx. :

	1893-94.	1894-95.	1895-96.	1896-97.
1. <i>Animals, living (mostly horses)</i>	305,054	269,044	308,585	367,458
2. <i>Articles of food and drink</i>	8,657,752	8,386,580	8,722,870	8,848,889
3. <i>Metals and manufactures of metals, including hardware and cutlery, machinery and millwork, and railway plant and rolling-stock</i>	11,420,079	10,393,720	13,014,932	13,192,422
4. <i>Chemicals, drugs, medicines, and narcotics, and dyeing and tanning materials</i>	1,837,570	1,866,294	2,160,649	1,890,124
5. <i>Oils</i>	3,570,188	2,221,222	3,137,420	3,439,150
6. <i>Raw materials and unmanufactured articles</i>	3,890,164	4,420,947	4,851,627	3,610,521
7. <i>Articles manufactured and partly manufactured</i>	44,276,150	42,609,631	37,120,312	40,566,133

There was a decline in the 4th and 6th class, due in considerable measure to a restricted import in the former case of aniline dyes, and in the latter case of coal, cotton, and silk. These restrictions bear witness, as does the augmented import of food grains, to the abnormal condition of the country.

Turning now to the details of the more important items in each of the classes mentioned, they may be mentioned in order.

ANIMALS, LIVING.

In this trade, which consists mainly of the importation of horses from Australia and the Persian Gulf, the value has increased since the Government agreed to increase the price for Australian remounts. In 1895-96 the average declared value of horses imported from Australia was Rs. 339, but last year the recorded value works out to Rs. 511. Though this is nearer the truth than the lower valuation, it is probably still below the fact. With the increase in value of Australian horses there was also a large increase in the numbers imported, a direct result of the encouragement to importation offered by the State in the higher price. But the total number of horses imported declined; for while the arrivals of Australian horses at Calcutta greatly increased, importations of these and of horses from the Persian Gulf into Bombay largely diminished—an outcome of the plague.

ARTICLES OF FOOD AND DRINK.

Coffee.—It is worth while drawing attention to a fact which should be interesting to coffee planters in Southern India anxious to secure a wider circle of consumers, that there is a constant importation of coffee into India, chiefly from the Straits into Bombay and Burma. Last year's importations from the Straits amounted to nearly 8,000 cwt., value Rx. 46,600.

Grain and pulse.—This trade, in normal years of no importance—for India in such years does not need to import food grains from external sources—temporarily assumed important dimensions last year in consequence of the widespread failure of crops. A comparison of the figures of the trade for the last two years is of some interest :

	1895-96. Cwt.	1896-97. Cwt.
Wheat	144,974	603,368
Pulse	34,426	78,482
Rice	18,027	27,857
Gram	1,994	921
Barley	16,219	123,452
Jawar and bajra	35,089	112,729
Oats	1,141	16,712
Other sorts	43,013	104,946
Total	294,883	1,068,467

Although the increase was very large, it will doubtless be asked why India did not import a very much larger quantity, having regard to the great area of failure, for 53,423 tons are but a small supply for a very large demand. The answer is that, after the failure of the Indian harvests became known in October 1896, the prices of food grains in other countries advanced rapidly, and the levels were such for a great part of the second half of the year as to make importation unprofitable. The people also turned to the inferior grains, as far as these could be

obtained, and to rice, of which fortunately there was an abundant harvest in Burma.

Wheat was imported from the United States into Calcutta to the extent of 24,400 tons—an unprecedented event not again to happen, it may be hoped, after the present year which will record a further importation—a gift from the charitable in the States. Some wheat was also imported into Bombay from the United States and from the Persian Gulf whence there is generally a small and spasmodic trade in wheat brought to Western India. Pulse was also imported from the same region and in smaller quantity from China, the Straits, Ceylon, and Eastern Africa and Egypt. Barley was also imported into Bombay from the Persian Gulf for brewing purposes. Jawar and bajra came from the same locality and from Eastern Africa. Oats (for horse-feed) also came from distant fields—from the United Kingdom and Australia. Rice was imported from the Straits, and “other sorts”—chiefly maize—from the United States, the Persian Gulf and Eastern Africa, and the United Kingdom. Of the total importations of food-grains more than half came from the United States, and most of the other half from Turkish ports in the Persian Gulf.

Hops.—With the increase in the production of Indian beer noted below the importation of hops has largely augmented, last year's imports being 6,233 cwt., which is little less than double the trade of four years previously.

ARTICLES OF FOOD AND DRINK.

Liquors.—The importations of *malt liquor* were almost as large as in 1895-96, amounting to a little in excess of three million gallons, valued at about Rx. 473,000, or about $1\frac{1}{2}$ rupee per gallon. The quantity of Indian beer brewed in recent years has risen to about double the quantity imported:

<i>Imported.</i>		<i>Locally brewed.</i>	
	Gallons.		Gallons.
1891-92	2,973,943	1891	4,745,803
1892-93	3,052,894	1892	4,831,127
1893-94	2,787,672	1893	5,532,725
1894-95	2,514,041	1894	6,121,905
1895-96	3,048,743	1895	6,238,877
1896-97	3,022,171	1896	6,313,946

The malt liquor imported continues to be in the main of British origin, although so much is said of the competition of German and Austrian liquor. Last year's importations were to the extent of 90 per cent from the United Kingdom, the imports from Austria-Hungary, Belgium, and Germany being only 9·4 per cent.

The importations of *spirit* were very little below the level of 1895-96:

	Gallons.
1892-93	1,057,347
1893-94	1,067,373
1894-95	1,093,115
1895-96	1,186,696
1896-97	1,179,909

Of the total imports a little over half a million gallons consisted of whisky, brandy being rather more than half the quantity of whisky. These proportions are very similar to the proportions of the trade in 1895-96. India was again favoured with supplies of brandy from Germany, Holland, and Belgium, these

countries having sent about 57,000 gallons in each of the last two years. Of whisky made in Germany we were also supplied with 7,400 gallons.

Gin and rum, the other forms in which English-speaking people consume spirit, form a relatively small trade. So do liqueurs.

Of other than potable spirit there was imported :

	Gallons.	Rx.
Spirit in drugs and medicines . . .	43,641	89,159
Spirit in perfumery	16,826	53,909

There is also a quantity of undescribed spirit, arrack from Ceylon and "white" or "silent" spirit from Germany.

Wines.—After a temporary increase in 1895-96 the importations of wines again declined to a little lower than the level of the trade in 1894-95—only about 355,000 gallons being imported.

The whole importations of liquors in the year represented a value of—

	1895-96. Rx.*	1896-97. Rx.
Malt liquor	477,595	472,824
Spirit	824,203	827,093
Wine	391,859	343,074
Other sorts	2,171	1,952
TOTAL	1,695,828	1,644,944

the value last year being about 3 per cent less than in 1895-96.

Provisions.—The imports of the principal among the enumerated items have been in the last two years :

	1895-96.	1896-97.
Fish, dry, salted . . . lbs.	16,984,773	12,054,401
„ „ unsalted . . . „	3,012,300	2,466,474
„ wet „ . . . „	9,971,563	14,542,597
Bacon and hams . . . „	949,013	1,022,365
Cheese „	863,371	881,267
Butter „	211,516	186,539
Flour „	1,282,420	1,359,153
Dates cwt.	817,535	547,295
Other dried fruit . . . „	105,211	94,003
Ghi lbs.	2,539,936	1,186,422

The value of the enumerated kinds of provisions, which are mentioned above with two or three trifling exceptions, was :

	Rx.
1895-96	1,068,258
1896-97	861,427

Of unenumerated goods which it is practically impossible to specify, the value was :

	Rx.
1895-96	728,987
1896-97	688,389

The very large decline in the trade in dry salted fish was due to the distress in Upper Burma and to the conditions which interfered with the trade of the port of Bombay in the second half of the year. Dates and ghi, which also are mainly imported into Bombay and Karachi, likewise fell heavily, the supply

of dates being reduced by a bad harvest in the producing regions as well as by local conditions. The increase in wet salted fish (*ngapi*), which is imported from the Straits for consumption in Burma, is again very noticeable: in three years it has increased nearly threefold.

Salt.—The importations of the year were very low, amounting to only 328,304 tons. The imports in the preceding three years had been on a large scale and in excess of consumption.

The sources of supply in the last two years have been :

		1895-96.	1896-97.
United Kingdom	. tons	262,528	193,084
Germany	. . . "	62,208	37,450
Aden	. . . "	26,105	40,663
Arabia	. . . "	11,068	13,450
Egypt	. . . "	31,208	33,002
Persia	. . . "	14,146	10,599

The decline in the imports of German salt—that trade having mainly caused the inflated imports of recent years—is very noticeable.

Spices.—The imports of betelnuts were on a large scale, as was anticipated, in consequence of the ravages amongst the betel palms of the insect pest which attracted attention in Lower Bengal last year and of climatic conditions which also injuriously affected the crop. But there was a heavy decline in the trade in cloves, due partly to conditions in Bombay, whither this spice is brought from Zanzibar, and partly to the inferiority of the crop. The imports of pepper were also small.

Sugar.—The trade was slightly larger :

The quantity and value of the imports have been in the last five years :

	Cwt.	Rx.
1892-93	1,959,818	2,625,683
1893-94	2,127,905	2,824,190
1894-95	2,490,611	2,875,297
1895-96	2,730,963	3,106,813
1896-97	2,861,400	3,151,829

In 1895-96 the importations from Mauritius amounted to 1,572,000 cwt., being 57 per cent of the whole; last year the importations from that Colony amounted to about 1,667,000 cwt., being 58 per cent of the whole. The only serious competitor of Mauritius sugar is the bounty-fed beet sugar from the Continent of Europe. This was received last year to the extent of altogether about 880,000 cwt.—a quantity materially in excess of the imports of 1895-96 (about 725,000 cwt.). This sugar, which is mainly of German origin, is also a competitor of Indian sugar, for it is imported into Bengal in considerable quantity, displacing Indian sugar there.

The main sources of the supply of sugar to the Indian market are these :

	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.
Mauritius	1,078,558	1,361,649	1,753,003	1,571,993	1,666,845
Germany	255,788	189,301	274,632	718,218	758,806
Austria-Hungary	27,698	11,549	7,093	4,934	115,514
China	349,096	351,294	220,511	206,049	139,310
Straits	129,606	86,873	81,497	108,045	63,497
Java	80,379	99,976	140,030	109,998	97,458

Tea.—The sources of supply are China, Ceylon, the Straits, and Java, from which countries the imports in the last five years have been :

	China.	Ceylon.	Straits.	Java.	Total.
1892-93 . . . lbs.	4,795,473	633,596	464,518	107,100	6,022,883
1893-94 . . . „	6,016,244	980,507	360,770	308,333	7,687,757
1894-95 . . . „	4,630,327	901,971	413,417	362,366	6,326,122
1895-96 . . . „	5,890,052	997,925	399,792	187,438	7,497,703
1896-97 . . . „	6,342,962	748,127	431,672	306,328	7,874,832

The reduction in the imports of Ceylon tea—which is brought to Bombay for consumption by Europeans—is doubtless due to the restriction in the trade of that port caused by the plague in the second half of the year. The imports of tea from the other countries named, which is mainly re-exported, increased sensibly.

METALS AND MANUFACTURES OF METAL.

Hardware and Cutlery.—The value of the imports last year exceeded that of 1895-96, which again was greatly in excess of that of 1894-95 :

	Rx.
1892-93 . . .	1,283,860
1893-94 . . .	1,380,473
1894-95 . . .	1,332,556
1895-96 . . .	1,483,475
1896-97 . . .	1,557,742

The proportion of these goods imported from United Kingdom was 78 per cent, about the same as in 1895-96. This head in the returns has been subdivided since November last into the following heads, the figures attached shewing the value of each :

	Rx.
(1) Cutlery	46,842
(2) Agricultural implements	78,179
(3) Other implements and tools	46,793
(4) Sewing machines	46,628
(5) Other kinds of hardware	1,339,300

It will be seen that it is impossible to separate off the great bulk of the imports, consisting as they do of an immense variety of articles. Germany, Belgium, and Austria-Hungary sent us last year between 19 and 20 per cent of the whole of the hardware and cutlery imported.

Copper.—The imports were much smaller than they have been for many years, and as much as $47\frac{1}{2}$ per cent smaller than the average of the four previous years. The imports of copper are, as has more than once been remarked in these annual reviews, a fair test of the material condition of the country. The metal is most largely used for the manufacture of domestic utensils which in prosperous times the people buy freely, while, under the stress of bad harvests and famine prices, the first thing they do is to sell their copper and brazen vessels and replace them with earthenware. The decline in the trade during the year is ample evidence of the impoverished condition of the people in the tracts affected by scarcity :

	1892-93. Cwt.	1893-94. Cwt.	1894-95. Cwt.	1895-96. Cwt.	1896-97. Cwt.
United Kingdom . . .	351,466	433,082	290,133	355,580	143,519
Belgium	9,373	20,510	4,707	54,149	26,429
China and Japan . . .	35,857	114,995	51,223	48,480	43,321
Ceylon	10,841	2,159	696	493	1,594
Australia	5,940	12,304	1,000	7,093	16,574
Total from all countries .	420,762	591,109	354,107	471,824	240,895

Iron and Steel.—The imports for the last five years are :

<i>Iron.</i>		<i>Steel.</i>	
	Cwt.		Cwt.
1892-93 . .	3,596,239	1892-93 . .	621,556
1893-94 . .	3,709,617	1893-94 . .	1,039,819
1894-95 . .	3,250,403	1894-95 . .	905,333
1895-96 . .	4,000,246	1895-96 . .	1,702,253
1896-97 . .	3,892,743	1896-97 . .	1,553,181

In both cases, and especially in the case of steel, the importations were large in 1895-96, and, in the condition of the country during the year, it is perhaps surprising that the decline was comparatively small.

The following list includes the descriptions of iron and steel which are most commonly imported and the extent of the trade in each for the last two years :

<i>Iron.</i>		1895-96.	1896-97.
		Cwt.	Cwt.
Angle, bolt, and rod . .		757,795	781,613
Bars		593,426	538,627
Galvanised		726,430	815,294
Sheets and plates (including tinned plates)		561,887	485,562
Pipes and tubes . .		383,771	353,823
Beams, pillars, girders, and bridgework . .		244,774	153,516
Pig		201,057	260,958
Nails, screws, and rivets		211,355	179,725
Hoop		92,394	89,923
<i>Steel.</i>			
Bars		598,943	582,745
Sheets and plates . .		321,511	287,838
Hoop		223,536	221,743
Cast		18,516	15,330

The increasing demand for iron sheds by port trusts, municipalities, mills and factories, tea and coffee estates, railway and steamer companies, is evidenced by the large importations of galvanised iron and angle, bolt, and rod,—these descriptions comprising a very large part of the trade. Iron hooping and bars are being gradually displaced by steel.

The decline in the trade of the year was greater in the case of Belgium and Germany than in the importations from the United Kingdom. From the latter country more steel was imported than in 1895-96, and the decline in iron was not large. Supplies of both iron and steel from Belgium fell off considerably, and, though Germany sent us more iron than in 1895-96, the trade in steel fell to a lower level than had been reached since the trade first expanded to appreciable dimensions.

The figures in the subjoined table illustrate the extent of the competition of Belgium and Germany with England in the supply of both iron and steel to the Indian market :

Year.	FROM UNITED KINGDOM.		FROM BELGIUM.		FROM GERMANY.		FROM OTHER COUNTRIES.	
	Iron.	Steel.	Iron.	Steel.	Iron.	Steel.	Iron.	Steel.
1883-84 . . .	3,473,619	240,149	86,657	10,981	9,411	1,609	13,975	687
1884-85 . . .	3,423,559	263,433	165,488	24,287	5,209	1,400	8,020	808
1885-86 . . .	3,322,511	255,871	152,069	20,629	4,146	1,850	14,493	438
1886-87 . . .	3,102,856	327,744	162,043	19,240	3,922	2,154	11,568	179
1887-88 . . .	4,077,292	372,824	188,584	42,913	8,148	3,283	47,563	1,907
1888-89 . . .	3,715,081	456,550	262,436	77,976	11,928	7,063	13,348	799
1889-90 . . .	2,983,080	385,916	606,544	66,375	5,425	16,099	13,356	6
1890-91 . . .	3,306,381	462,671	536,676	164,874	13,134	76,235	20,965	1,685
1891-92 . . .	2,859,753	347,816	776,328	301,573	28,559	123,086	15,849	561
1892-93 . . .	2,382,578	270,751	1,153,411	283,817	34,727	66,712	25,523	276
1893-94 . . .	2,320,839	420,158	1,223,332	518,395	102,334	100,188	63,112	1,078
1894-95 . . .	1,956,721	369,753	1,176,179	448,091	75,264	84,083	42,239	3,406
1895-96 . . .	2,479,453	710,581	1,379,139	936,498	49,106	52,753	92,548	2,421
1896-97 . . .	2,426,763	713,914	1,295,585	806,815	58,835	26,031	117,560	6,421

It may be of interest to state the kinds of each of these metals which are most largely received from each country, and this will be apparent from the figures for last year here appended :

Iron.

		United Kingdom.	Belgium.	Germany.
Angle, bolt, and rod . . .	Cwt.	137,687	590,915	10,781
Bar	"	184,867	296,728	29,086
Beams, pillars, girders, and bridgework	"	55,295	98,217	4
Galvanised	"	803,832	5,263	6
Hoop	"	73,100	16,590	209
Pipes and tubes	"	353,089	2	37
Plates and sheets	"	171,484	188,482	355
Tinned plates	"	124,967	178	...
Nails, screws, and rivets . . .	"	51,972	79,659	16,178

Steel.

Bars	"	137,574	435,627	9,354
Hoop	"	200,677	17,807	2,756
Plates and sheets	"	161,681	124,767	1,390
Other sorts	"	200,037	228,344	11,981

It appears that Belgian trade greatly exceeds that of the United Kingdom in iron and steel bars, angle, bolt, and rod iron, plates and sheets and nails, screws, and rivets of iron, also in undescribed sorts of steel, and that steel plates and sheets of Belgian manufacture are running English plates and sheets rather close. On the other hand, it may be said that the English trade has more or less a practical monopoly of galvanised iron, iron and steel hooping, iron pipes and tubes, and tinned plates. The inferences are subject, however, to the qualification that it is not certain that the articles imported from England are always of English origin; indeed it is known that they are to some extent of Belgian manufacture, but to what extent cannot be stated with any precision. It may be added that bars, angle, bolt, and rod are the principal forms in which iron reaches India from Sweden, but here also the figures do not enable us to see the full extent of the trade in Swedish iron of which some is imported indirectly through England.

Copper, iron, and steel represent 96 per cent of the quantity of all imported metals, iron and steel being about 92 per cent of the whole. This last is a larger proportion than usual, iron and steel not having declined so greatly as copper, tin, and zinc. The imports of the other metals have been as follow :

	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.
Brass . .	12,488	12,087	8,764	10,713	9,827
Lead . .	113,076	121,967	112,550	121,686	123,434
Quicksilver . .	3,206	2,825	1,077	3,163	2,323
Tin . .	37,603	45,906	48,425	50,329	36,397
Zinc . .	115,782	131,531	84,736	89,861	44,830
Others . .	5,164	6,287	4,594	9,488	10,207

Machinery and Millwork.—The imports have been :

	Rx.
1892-93 . .	2,359,103
1893-94 . .	2,518,038
1894-95 . .	2,442,433
1895-96 . .	3,237,401
1896-97 . .	3,510,190

The importations of 1895-96 were large, and were exceeded last year, the demand on account of cotton, jute, and other mills, tea and coffee estates, factories, workshops and foundries, being large whether for additions or for repairs and renewals. The importations were distributed as follows :

	1895-96. Rx.	1896-97. Rx.
Bengal . .	1,419,838	1,824,942
Bombay . .	1,168,295	1,229,401
Sind . .	94,505	99,088
Madras . .	450,339	252,560
Burma . .	104,424	104,199

The machinery imported into Calcutta comprises, as remarked last year, all that is required for the tea gardens of Assam, Cachar, and Sylhet, and the mills and factories of Upper India, as well as all that is required for Bengal. Most of the machinery imported into Karachi is required for industries in the Panjab.

Railway Material.—The importations are as follow :

	For Companies. Rx.	For the State. Rx.
1892-93 . .	1,032,939	1,289,050
1893-94 . .	1,242,977	1,091,586
1894-95 . .	1,556,967	1,246,216
1895-96 . .	1,520,584	2,019,534
1896-97 . .	2,661,717	2,304,218

The imports on account of railway companies last year were about 95 per cent in excess of the average of the preceding five years ; and the imports on account of the State were in 1895-96 not much short of double the average, and last year were still larger. These extremely large imports are the result of the adoption by the State of a policy of rapid and extensive construction of railway lines.

CHEMICALS, DRUGS, MEDICINES, NARCOTICS, DYEING AND TANNING MATERIAL.

	Chemicals. Rx.	Drugs, Medicines, and Narcotics. Rx.
1892-93 . .	307,746	662,815
1893-94 . .	357,152	771,525
1894-95 . .	412,326	736,785
1895-96 . .	455,546	846,210
1896-97 . .	386,679	772,097

In both cases the comparatively large trade of 1895-96 was followed by a material reduction. There was a marked restriction in the imports of chemicals for paper-making, the paper industry suffering from a temporary depression following on excessive production. In most of the other items also which constitute the head "Chemicals" there was a reduction, more or less appreciable. The trade in drugs suffered similarly, camphor only being an exception. The trade in this article was restricted in 1895-96, supplies having been scarce in consequence of disturbances in Formosa, and there was some recovery last year; prices, however, continued high. There was a large decline in leaf tobacco which is chiefly imported into Madras for the cigar-making industry, but this trade is of a fluctuating nature.

Dyeing and tanning materials.—Aniline and alizarine dyes now represent about 83 per cent of the total value of these imports. The trade in these mineral dyes suffered a check last year, like most goods which are principally imported into Western India:

	lbs.	Rx.
1892-93 .	5,923,865	501,921
1893-94 .	6,288,265	533,104
1894-95 .	5,978,723	552,344
1895-96 .	7,765,373	703,900
1896-97 .	7,016,177	606,326

These dyes, of which alizarine is to aniline as more than two to one, are imported principally from Belgium and Holland:

	1895-96. lbs.	1896-97. lbs.
United Kingdom . . .	487,588	351,356
Belgium	4,581,441	4,201,547
Austria-Hungary . . .	616,827	297,026
Germany	584,070	483,694
Holland	1,151,225	1,314,120
Italy	336,493	356,861

The total value of all the dyeing and tanning materials imported was Rx. 731,347, the imports of descriptions other than mineral dyes being as follows:

	1894-95. Rx.	1895-96. Rx.	1896-97. Rx.
Cochineal	26,351	31,580	23,042
Gambier	36,585	45,343	43,603
Indigo	42,730	10,024	1,063
Saffron	37,257	54,187	38,738
Other sorts	21,914	13,858	18,575

It may be noted, however, that the inclusion of saffron in this head is hardly accurate, for that article is used not for dyeing but for Hindu ceremonial purposes and for the flavouring and colouring of food.

OILS.

Mineral oil.—Imports have been:

	Gallons. (ooo's omitted.)	Rx.
1892-93 .	67,086	2,690,264
1893-94 .	86,609	3,275,585
1894-95 .	53,441	2,122,999
1895-96 .	66,648	2,967,400
1896-97 .	68,421	3,088,279

Russian oil has, it would seem, permanently taken the lead of American oil in the Indian market. The relative imports from the two countries are as follows (in million gallons) :

	Russia.	United States.
Total, in five years ending 1895-96 .	167·6	150·5
1895-96 .	40·6	23·2
1896-97 .	45·5	19·3

The importation of mineral oil in bulk—all of it Russian, American oil being imported exclusively in cases—was about 7 million gallons in 1894-95, nearly 10 million gallons in 1895-96, and nearly 15 million gallons last year. The largest proportion of these importations ($8\frac{1}{2}$ million gallons) was brought to Calcutta where it was filled into cases for distribution in the country. It is understood that arrangements are being made for the conveyance of the oil by rail in bulk to a dépôt or dépôts nearer the consuming centres where it will be filled into cases for distribution.

Another competitor for public favour in India has entered the market, Langkat petroleum from Sumatra having been imported at Rangoon and Calcutta. The oil is stated to be of good quality. Probably Java oil will come in next. Petroleum should be much cheaper than at present in the near future.

Mineral oil, mainly kerosene, represented last year Rx. 3,088,279 out of Rx. 3,439,150, which was the total value of all kinds of oil imported. The other oils imported are chiefly cocoanut, linseed, animal, and essential, none of them, except cocoanut, of any importance at present. After having fallen to a very low level in 1894-95 and 1895-96, the trade in cocoanut oil has again risen higher than ever, the value of last year's imports having been as much as Rx. 271,164.

RAW MATERIALS AND UNMANUFACTURED ARTICLES.

Coal.—The imports of coal, coke, and patent fuel have been :

	Tons.
1892-93 .	648,185
1893-94 .	555,280
1894-95 .	823,584
1895-96 .	761,996
1896-97 .	494,960

Imported coal is brought mainly to Bombay and Karachi, and there the conditions of trade and industry in the second half of the year were such as to greatly restrict the consumption of coal.

The distribution of the imports has been as follows (in tons) in the last three years :

	1894-95.	1895-96.	1896-97.
Bombay and Sind .	696,063	607,723	385,826
Burma . . .	35,719	32,404	28,943
Madras . . .	82,664	112,589	71,315
Bengal . . .	9,138	9,280	8,876

The production of coal in India in 1896 amounted to 3,848,013 tons, being in the ratio of about $7\frac{3}{4}$ tons locally produced to 1 ton imported. This is much the largest ratio as yet known, and it will perhaps hardly be maintained

for some years to come, for although the production of Indian coal increases while the importation of coal is gradually dwindling, last year was quite exceptional in its conditions.

Cotton.—The imports have been as follow :

	<i>Asiatic.</i>	<i>Non-Asiatic.</i>
	Cwt.	Cwt.
1892-93 .	58,920	48,552
1893-94 .	57,624	36,868
1894-95 .	19,747	58,230
1895-96 .	51,474	65,920
1896-97 .	20,778	36,239

These importations of cotton are made for the Bombay mills, and the decline in the trade is due to the cause which limited the importation of coal. Most of the mills were compelled, owing to the flight of the operatives, either to close entirely or to work short time, and the need for both coal and cotton was restricted.

Silk.—The trade of 1895-96 reached a high level which was not maintained last year, a great reaction having occurred :

	lbs.	Rx.
1892-93 .	2,292,846	1,016,080
1893-94 .	2,947,595	1,360,179
1894-95 .	2,494,496	1,036,533
1895-96 .	3,030,546	1,232,950
1896-97 .	2,287,752	875,488

This is almost exclusively a Bombay trade, and, like coal and cotton and most other articles of Bombay trade, its dimensions have been restricted by the existing conditions.

The other articles enumerated in this class are all of small importance. The larger of them are here mentioned, with their values (in Rx.) :

	1895-96.	1896-97.
Canes and rattans	27,513	32,165
Gums and resins	130,397	111,010
Hemp	27,118	29,316
Hides and skins	88,822	90,475
Ivory	309,013	214,163
Precious stones and pearls, unset	652,351	528,680
Stick lac	32,510	14,630
Pitch, tar, and dammer	65,431	49,267
Seeds	93,183	85,098
Shells and cowries	43,561	34,366
Stone and marble	28,900	25,172
Teakwood and other wood and timber	262,284	193,075
Wool	160,749	140,228

With few exceptions there was a material decline in the articles enumerated in the list. Some of the principal items are imports which are much more largely brought to Bombay than to any other port—for instance, gums and resins, ivory, precious stones and pearls, seeds, teakwood, wool; and all these have fallen away greatly. A rather curious feature in the ivory trade may be glanced at here. Bombay imports East African ivory from Zanzibar and re-exports some of it to Germany. On the other hand Germany has a fairly substantial trade in the export to Bombay of West African ivory, cut for bangles in which Bombay does all the business of India.

MANUFACTURED ARTICLES.

Cotton yarn.—The imports of cotton twist and yarn in the last decade have been as follow :

	lbs.		lbs.
1887-88 .	51,543,000	1892-93 .	38,277,000
1888-89 .	52,587,000	1893-94 .	42,807,000
1889-90 .	46,383,000	1894-95 .	41,483,000
1890-91 .	50,971,000	1895-96 .	46,355,000
1891-92 .	50,404,000	1896-97 .	50,174,000

In the first half of the year the activity which marked the year 1895-96 was continued, but in the second half the trade fell off. In the end, however, the imports in the first half were so large that the trade of the year was larger than it had been since 1891.

The figures collected during 1896-97 of the descriptions of yarn imported confirm the results obtained in the two preceding years. They shew that there is but a quite trifling quantity of grey yarn imported of counts under No. 26, and that the great bulk of such yarn is imported of counts above No. 30. The bulk of the coloured yarn imported is also of the finer counts above No. 30, though a much larger quantity of such yarn is imported of the coarser counts than in the case of grey yarn :

	1895-96.		1896-97.	
	Mule (lbs.).	Coloured (lbs.).	Mule (lbs.).	Coloured (lbs.).
No. 20 and under .	196,383	3,302,878	236,823	2,987,434
„ 21 to 25 .	18,046	3,959,944	6,649	2,725,853
„ 26 to 30 .	4,008,510	2,002,651	4,096,284	1,896,419
„ 31 to 50 .	13,302,482	15,109,306	16,125,939	16,686,356
Above 50 .	1,569,455	270,975	1,997,938	311,956

Cotton goods.—As in the case of yarn, the imports of cotton piece-goods in the first half of the year were very active, for the prospects of the year were good, the demand was lively, and the imports of piece-goods in 1895-96 had been on such a low scale that stocks were much smaller than usual. In the second half of the year, however, the conditions suddenly changed with the premature withdrawal of the monsoon, and at the same time the appearance of the plague in Bombay led to the flight from the city of dealers in cotton goods and to the consequent interruption of trade. Importations in the second half, and more especially the last quarter, of the year were therefore smaller than in the first six months (the reverse being normally the case). But the trade had been so active in that first period that the aggregate trade of the year was much in excess of that of 1895-96. The figures appended shew, in the case of yarns as well as of piece-goods, how the trade fell off in the second half of the year :

Yarn (million lbs.).			
	1894-95.	1895-96.	1896-97.
1st half .	17'26	23'90	28'61
2nd half .	24'22	22'45	21'56

Piece-goods (million yards).			
	1894-95.	1895-96.	1896-97.
1st half .	1,124'24	816'06	1,084'02
2nd half .	1,133'43	898'81	912'97

Nevertheless the trade does not seem to progress except perhaps in the two smaller of the three great branches into which it is divided, and in them the advance is extremely limited :

	Grey (unbleached). Yards.	White (bleached). Yards.	Coloured, printed, or dyed. Yards.
1887-88	1,180,175,000	320,464,000	339,103,000
1888-89	1,347,299,000	406,492,000	372,457,000
1889-90	1,257,001,000	339,098,000	400,949,000
1890-91	1,280,540,000	373,149,000	360,335,000
1891-92	1,173,176,000	361,395,000	348,117,000
1892-93	1,092,584,000	376,359,000	339,111,000
1893-94	1,314,038,000	393,130,000	422,320,000
1894-95	1,352,272,000	497,332,000	408,072,000
1895-96	1,066,446,000	333,754,000	314,679,000
1896-97	1,222,920,000	414,154,000	359,916,000

This is also even more clearly apparent from the further figures of the average of the trade in five-yearly periods placed below :

	Grey.	White.	Coloured.
Five years ending 1891-92	1,247,638,000	360,120,000	364,192,000
Five years ending 1896-97	1,209,652,000	402,946,000	368,820,000

The statistics which have been collected during the last two years of the relative imports of the different descriptions of goods under these three heads are as follow (yards, 000's omitted) :

Grey.	1895-96.	1896-97.	White.	1895-96.	1896-97.	Coloured.	1895-96.	1896-97.
Jaconets	82,280	96,189	Jaconets	24,471	33,057	Jaconets	7,275	5,187
Mulls	10,095	20,211	Nainsooks	78,493	119,890	Mulls	2,502	4,872
Printers	3,790	959	Mulls	85,817	84,980	Prints and chintz	110,606	129,702
Shirtings	521,941	581,226	Shirtings	56,289	69,751	Shirtings	40,974	45,060
Madapollams	24,778	31,337	Longcloths	1,269	2,278	Drills	4,731	5,259
T-cloths and domestics	15,664	13,058	Cambrics, twills, muslins, and lawns	8,113	12,044	Cambrics, twills, and muslin	69,244	74,757
Jeans, sheetings, and drills	18,058	22,594	Chádars, dhutis, sáris, and scarves	52,346	53,172	Chádars, dhutis, sáris, and scarves	29,961	29,459
Chádars, dhutis, sáris, and scarves	383,362	455,220						

It appears from the figures that goods made of medium counts, say from 30s to 40s, constituted last year about 97 per cent of the whole imports of grey goods, thus :

	1895-96.	1896-97.
Shirtings, chádars, dhutis, sáris, scarves	85 per cent	84·7 per cent.
Jaconets, mulls, madapollams	11 „	12·1 „

The proportions of yarn and of piece-goods received in the last four years from the United Kingdom were:

	1893-94.	1894-95.	1895-96.	1896-97.
	Per cent.	Per cent.	Per cent.	Per cent.
Yarns	97·2	97·3	96·5	97·
Grey piece-goods	99·8	99·7	99·7	99·5
White „	98·8	99·2	99·2	99·1
Coloured „	97·3	97·9	97·7	97·9

The trifling quantity not received from the United Kingdom is mainly received from the Continent and from the United States.

Besides the three great classes of piece-goods, grey, white, and coloured, referred to above, the principal other kinds of cotton manufactures imported are :

	1895-96. Rx.	1896-97. Rx.
Handkerchiefs and shawls in the piece	199,289	159,544
Lace and patent net	47,287	45,613
Hosiery	100,868	196,037
Sewing thread	160,875	140,479

The aggregate value of the imports of cotton yarns and woven and other goods in the last five years was :

	Yarns. Rx.	Woven and other goods. Rx.	Total. Rx.
1892-93	2,683,850	22,942,015	25,625,865
1893-94	3,108,941	29,268,528	32,377,469
1894-95	2,851,254	29,822,374	32,673,628
1895-96	2,971,090	22,784,782	25,755,872
1896-97	3,325,871	26,424,304	29,750,175

In 1895-96 the value represented about 37 per cent and in 1896-97 41 per cent of the value of all imported merchandise.

The imports of yarns and piece-goods were thus distributed among the Indian provinces in the last two years :

	1895-96.				1896-97.			
	Yarns.	Piece-goods, yards (000's omitted).			Yarns.	Piece-goods, yards (000's omitted).		
	lbs. (000's omitted.)	Grey.	White.	Coloured.	lbs. (000's omitted.)	Grey.	White.	Coloured.
Bengal	12,868	775,281	141,371	88,191	13,349	881,943	165,196	108,444
Bombay	10,497	197,854	126,712	130,471	9,678	215,308	163,256	140,969
Sind	2,915	36,502	23,528	46,777	3,922	61,736	40,450	58,192
Madras	10,914	51,287	17,772	25,416	15,568	58,630	13,749	32,903
Burma	9,161	5,522	24,371	23,824	7,657	5,303	31,503	19,408

Silk goods.—After a revival in 1895-96 the trade fell again last year to a low level. The imports are chiefly directed to Bombay and Burma, the share of Bombay last year representing Rx. 967,578 and that of Burma Rx. 236,844. The decline in Bombay was due to the conditions of the city and of the country, but it was not proportionately or absolutely as large as the decline in Burma. There the markets were stocked to excess from the imports of the preceding year, prices fell heavily, and the importations of English silk were unable, in face of such a fall in prices, to compete with the cheaper Japanese silks. Of this competition the Chief Collector of Customs at Rangoon writes: "Sales of English silks were unquestionably crippled by the large importations of Japan silks, which are to a marked extent supplanting them. These Japan cloths are remarkably cheap and good. They are dyed and printed in Rangoon, where the hand-printers may be seen at work all over the town, and this hand-printing shews great excellence. The printers copy the best English patterns."

Generally, it is tolerably clear that the people had not much money to spare for the purchase of silk attire, and there was a notable diversion of custom from pure silks to mixed silks, the latter being comparatively cheap.

The total value of the trade is :

	Rx.
1892-93	1,801,571
1893-94	1,827,874
1894-95	1,277,420
1895-96	1,704,320
1896-97	1,366,669

The principal sources from which silk goods were imported last year were :

	Rx.
China and the Straits	438,449
United Kingdom	319,185
Japan	159,449
Italy	134,247
France	129,844
Austria-Hungary	75,916
Belgium	49,792
Germany	29,773

Flax goods.—These consist, to the extent of more than half, of canvas, the bulk of the other half being linen piece-goods. The trade was not as large last year as in either of the two preceding years, but its level in these three years has risen greatly above the level of previous years. This trade is practically limited to the United Kingdom, but a very trifling share of it being with Belgium. It is possible, however, that some of the linen shipped from the United Kingdom may be of Belgian origin.

Woollen goods.—The low level of two years was followed by an expansion of trade last year. The figures of value stand thus, in Rx. :

1892-93	1,523,243
1893-94	1,892,042
1894-95	1,541,639
1895-96	1,445,517
1896-97	1,692,535

In Bombay the trade remained almost at the point to which it fell in 1895-96, but there was a large increase in Bengal and Burma. The descriptions of woollen goods, so far as they are specified in the returns, are :

	Rx.
Piece-goods	1,198,033
Shawls	245,013
Braids	52,063
Carpets and rugs	46,784

The statistics of the Indian woollen mills indicate an expansion of the industry, which continues to be to a large extent conducted at Cawnpore and at Dhariwal :

	1895.	1896.
Capital employed Rx. . . .	325,000	325,000
Persons „ No. . . .	2,929	3,017
Looms „	531	530
Spindles „	17,244	18,658

These mills are extensively employed in work for the army in the manufacture of serges, greatcoats, blankets, and hosiery.

OTHER MANUFACTURED GOODS.

Of the other articles enumerated in this class the following are the most important. The value of the trade in each of the last five years is here specified:

	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
	Rx.	Rx.	Rx.	Rx.	Rx.
Apparel, including boots and shoes	1,383,830	1,578,049	1,435,191	1,594,280	1,516,422
Arms and ammunition, including dynamite and other explosives	225,775	265,713	271,041	287,406	259,390
Books and printed matter	230,564	248,635	232,356	241,024	237,246
Building materials	140,211	168,981	167,080	200,902	168,344
Cabinet-ware and furniture	96,062	111,990	89,024	104,085	97,509
Carriages and carts	71,959	93,196	85,004	108,224	224,896
Candles	148,426	151,982	137,899	179,142	109,975
Clocks and watches	115,789	154,554	100,985	136,042	122,728
Corals, real	121,045	167,357	120,637	113,862	73,534
Earthenware and porcelain	251,593	251,596	192,843	231,422	215,100
Glass and glassware	670,804	788,480	619,996	741,078	704,186
Instruments and apparatus:					
Musical	90,188	101,159	91,269	100,214	97,125
Scientific	115,168	131,684	127,121	172,810	180,485
Jewellery and plate	93,443	134,729	95,142	126,988	111,373
Leather and leather goods, excluding boots and shoes	179,545	200,760	178,597	220,878	208,362
Matches	358,957	375,137	367,845	361,433	284,806
Paints and colours and painters' materials	299,517	324,236	299,559	375,577	340,726
Paper and pasteboard	436,098	494,208	347,524	409,983	384,280
Ships, parts of	51,072	45,104	27,619	82,557	139,780
Soap	116,478	121,703	104,766	131,631	117,067
Stationery	262,042	267,771	289,525	334,605	331,880
Toys and requisites for games	152,475	180,399	167,253	184,571	192,445
Umbrellas	441,145	480,933	346,331	344,218	306,943

With four exceptions, every article in this list declined more or less seriously in the year. The reduction in some cases may perhaps be taken to be permanent—as, for instance, umbrellas which are now being made (of imported material) in the country. In matches there was a curiously large decline, the trade falling to a level unknown for several years. The decline was general, importations of English, Continental, and Japanese matches having alike fallen off, as well as imports into all of the provinces, Burma excepted. The decline seems to have been as temporary as it was marked.

Paper is apparently feeling the effects of competition, the Indian paper mills having reduced their prices though they have but slightly increased their production. The position of the industry may be gathered from the figures below:

	1895.	1896.
Capital employed Rx.	627,200	627,200
Persons „ No.	3,594	3,613
Outturn lbs.	39,927,687	40,707,589
Value of outturn Rx.	608,633	587,116

The remarkable increase in carriages and carts is the outcome of the craze for riding on bicycles.

The list appended states in the order of their importance the principal articles of merchandise imported into India :

	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
	Rx.	Rx.	Rx.	Rx.	Rx.
Cotton goods and yarn	25,625,865	32,377,469	32,673,628	25,755,872	29,750,175
Metals, including hardware and cutlery	6,665,877	7,659,064	6,394,319	8,256,946	7,020,515
Machinery and millwork	2,359,103	2,518,038	2,442,433	3,237,401	3,510,190
Oils, chiefly mineral	2,919,162	3,570,188	2,221,222	3,137,420	3,439,150
Sugar	2,625,683	2,824,190	2,875,797	3,106,813	3,151,829
Railway material	1,032,939	1,242,977	1,556,969	1,520,584	2,661,717
Silk, raw and manufactured	2,817,651	3,188,053	2,313,952	2,937,271	2,242,157
Chemicals, drugs and medicines, dyes, &c.	1,615,194	1,837,570	1,866,294	2,160,649	1,890,124
Woollen goods	1,523,243	1,892,042	1,541,639	1,445,517	1,692,535
Liquors	1,447,263	1,458,204	1,458,180	1,695,828	1,644,944
Provisions	1,862,055	1,782,868	1,575,943	1,797,245	1,549,816
Apparel	1,383,830	1,578,049	1,435,191	1,594,280	1,516,422
Coal	1,141,450	972,588	1,473,964	1,402,790	979,022
Glass and glassware	670,804	788,480	619,996	741,078	704,186
Salt	576,694	791,067	842,193	653,226	628,544
Spices	623,633	873,655	777,106	659,329	604,674
Paper and pasteboard	436,098	494,208	347,524	409,983	384,280
Umbrellas	441,145	480,933	346,331	344,218	306,943

General distribution of the import trade.—The total value of the imports of foreign merchandise in the last three years was thus distributed among the principal countries with which the trade is carried on. In 1895-96 Belgium and Germany came next after China; last year Belgium came next after the United Kingdom, Germany next, and China only third. With the expansion of the petroleum trade Russia has also taken a high place in the list of importers into India.

	1893-94.		1894-95.		1895-96.		1896-97.	
	Rx.	Per cent.	Rx.	Per cent.	Rx.	Per cent.	Rx.	Per cent.
1. United Kingdom	52,001,013	= 70'3	51,105,757	72'8	47,161,484	68	50,417,501	70'1
2. Belgium	2,053,275	= 2'8	1,866,365	2'7	2,729,646	3'9	2,403,703	3'3
3. Germany	1,714,003	= 2'3	1,731,453	2'5	2,351,776	3'4	2,307,821	3'2
4. China	3,542,556	= 4'8	2,662,958	3'8	2,805,858	4'2	2,149,089	3
5. Russia	1,263,014	= 1'7	1,007,645	1'4	1,867,558	2'7	2,019,594	2'8
6. Straits Settlements	2,524,623	= 3'4	2,103,158	3	2,075,220	3	1,842,122	2'5
7. Mauritius	1,787,030	= 2'4	1,961,603	2'8	1,721,339	2'5	1,807,631	2'5
8. Austria-Hungary	1,371,383	= 1'9	1,194,115	1'7	1,324,871	1'9	1,487,788	2'1
9. United States	2,016,270	= 2'7	1,106,441	1'6	1,139,438	1'6	1,466,949	2
10. France	1,138,262	= 1'5	860,430	1'2	978,970	1'4	920,096	1'3

CHAPTER II.

Exports of Merchandise.

I. EXPORTS OF FOREIGN MERCHANDISE.

The figures of the last five years are—

	Rx.
1892-93 .	4,590,290
1893-94 .	4,431,975
1894-95 .	5,057,414
1895-96 .	4,717,516
1896-97 .	4,033,637

A decrease of $6\frac{1}{2}$ per cent in the trade of 1895-96 was followed by a further decline of $14\frac{1}{2}$ per cent last year. The largest part of the decline occurred in cotton goods and raw wool, the trade in these articles having been disorganised in the second half of the year in Bombay and Karachi in which ports the bulk of the re-export trade (94 per cent of it) is concentrated, 77 per cent of it in Bombay. The whole decline in the trade was Rx. 683,879, the decline in cotton manufactures (including yarn) amounting to Rx. 408,950.

The share of the trade with each country is shewn below :

	1894-95. Rx.	1895-96. Rx.	1896-97. Rx.		1894-95. Rx.	1895-96. Rx.	1896-97. Rx.
United Kingdom .	1,038,689	1,141,803	970,861	Turkish Arabia .	346,937	232,798	193,108
Persia	1,652,528	1,101,451	918,893	Russia	13,446	154,056	169,557
East Coast of Africa, Zanzibar, and Mozambique . .	330,532	335,284	328,271	Aden	203,750	190,132	156,558
Straits	389,899	363,877	321,792	China	146,723	171,187	136,657
Arabia	326,041	413,170	307,087	Ceylon	187,862	172,376	134,776
				Mauritius	158,703	142,049	102,116

The principal articles of the trade and their values are shewn below :

	1895-96. Rx.	1896-97. Rx.
<i>Articles of food and drink :</i>		
Provisions	125,415	94,791
Sugar (refined) . .	216,572	227,888
Tea	361,085	371,233
<i>Metals and Metalware :</i>		
Hardware and cutlery .	81,854	81,216
Copper	57,705	46,746
Iron	88,162	82,804
<i>Chemicals, Drugs, &c..</i> .	80,036	76,483
<i>Raw Materials :</i>		
Gums and resins . . .	75,587	54,907
Ivory (unmanufactured) .	96,345	94,261
Wool	760,819	608,003
<i>Manufactured goods :</i>		
Apparel	154,111	170,680
Cotton twist and yarn .	70,717	89,147
Cotton manufactures, piece-goods, &c. . . .	1,804,938	1,377,558
Silk manufactures . .	88,770	79,242
Woollen manufactures .	57,787	48,877

II. EXPORTS OF INDIAN MERCHANDISE.

The figures for the last fifteen years are as follow :

	Rx.	Increase or decrease per cent.		Rx.	Increase or decrease per cent.
1882-83	80,598,155	+ 1'7	1889-90	99,101,055	+ 7
1883-84	85,085,720	+ 5'5	1890-91	95,902,193	— 3'2
1884-85	80,313,208	— 5'6	1891-92	103,550,831	+ 7'9
1885-86	80,734,731	+ 0'5	1892-93	101,945,707	— 1'5
1886-87	84,908,994	+ 5'2	1893-94	102,015,615	+ 0'07
1887-88	86,370,022	+ 1'7	1894-95	103,757,585	+ 1'7
1888-89	92,642,735	+ 7'2	1895-96	109,545,624	+ 5'6
			1896-97	99,880,660	— 8'8

In the following list the principal articles in the trade and their values for the last five years are shewn (in Rx) :

	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
1. Grain and pulse	20,562,972	16,325,142	17,056,850	18,292,774	13,410,217
2. Cotton, raw	12,743,679	13,296,670	8,703,356	14,090,193	12,970,089
3. Jute, raw	7,944,223	8,524,130	10,575,977	9,992,861	10,550,577
4. Cotton yarn and cloth	8,100,658	6,242,558	7,148,679	8,344,587	8,496,474
5. Tea	6,292,348	6,585,835	7,555,745	7,664,889	8,124,548
6. Opium	9,255,014	8,019,428	9,064,665	8,459,336	8,022,923
7. Seeds	11,631,015	16,753,251	14,201,520	9,717,431	8,011,680
8. Hides and skins	5,591,935	5,801,328	6,559,940	7,639,478	7,001,370
9. Jute manufactures	3,237,993	3,441,787	4,210,834	4,747,443	5,213,930
10. Indigo	4,141,179	4,182,128	4,745,915	5,354,511	4,370,757
11. Coffee	2,066,862	2,002,171	2,122,373	2,198,192	1,585,039
12. Lac	784,950	960,330	1,406,474	1,833,601	1,399,862
13. Wool, raw	1,116,578	1,079,772	1,376,850	1,355,108	1,241,497
14. Provisions	775,802	873,877	853,155	894,794	949,743
15. Wood and timber	695,259	589,764	661,824	801,897	798,686
16. Sugar	507,914	892,741	550,583	574,745	688,549
17. Dyes (other than indigo)	802,013	841,073	864,490	872,683	638,936
18. Oils, including paraffin wax	633,626	535,881	775,016	738,707	608,789
19. Saltpetre	438,940	338,102	411,365	535,945	572,164
20. Silk, raw	617,574	698,099	502,009	642,169	511,661
21. Spices	514,675	455,923	516,329	489,509	497,056

The extensive failure of crops resulting from the premature retreat of the monsoon in the middle of August 1896 was followed immediately by the outbreak of epidemic plague in Bombay, whence it spread to Karachi and many other places in Western India. The failure of crops and the rise of prices which prevented the export of rice, wheat, and oilseeds, was accompanied as respects many other articles by a restriction of trade which followed upon the flight of the inhabitants from Bombay during the epidemic and, later, the prohibitions and restrictions imposed upon merchandise from India by foreign countries. There is consequently apparent a decline in the trade of nearly nine per cent. Considering the conditions which prevailed during the second half of the year it might reasonably have been anticipated that the deficiency in the export trade would have been much larger.

The ratios of increase and decrease in each of the articles mentioned above are given in the subjoined table :

	1895-96.		1896-97.	
	Increase.	Decrease.	Increase.	Decrease.
1. Grain and pulse	7'2	...	...	26'7
2. Cotton, raw	61'9	...	...	7'9
3. Jute, raw	...	5'5	5'6	...
4. Cotton yarn and cloth	16'7	...	1'8	...
5. Tea	1'4	...	6	...
6. Opium	...	6'7	...	5'2
7. Seeds	...	31'6	...	17'5
8. Hides and skins	16'3	...	...	8'3
9. Jute manufactures	12'7	...	9'8	...
10. Indigo	12'8	...	...	18'4
11. Coffee	3'6	...	...	27'9
12. Lac	30'4	...	...	23'6
13. Wool, raw	...	1'6	...	8'4
14. Provisions	4'9	...	6'1	...
15. Wood and timber	21'2	...	...	0'4
16. Sugar	4'4	...	19'8	...
17. Dyes (other than indigo)	0'9	...	...	26'8
18. Oils	...	4'7	...	17'6
19. Saltpetre	30'3	...	6'7	...
20. Silk, raw	27'9	...	...	20'3
21. Spices	...	5'2	1'5	...

Conspicuous in the list is the extremely great decline in the exports of such important articles as grain and pulse and oilseeds, also in indigo, coffee, oils, and raw silk. There was also a smaller but material decline in such other very important articles as cotton, opium, hides and skins, as well as in lac and wool. The only compensating action was in exports of jute and jute manufactures, and tea. These, with cotton yarn and goods, are the only important items in which there was an increase, and in cotton yarns and goods the increase was but small. There were increases also in a few other items of smaller importance, notably in sugar.

The effects of famine and the plague are indicated in the appended list of staple export in which are stated the exports in the first and second half of the year :

	April—September 1896.	October 1896— March 1897.
Rice and rice-flour cwt. .	12,576,428	15,698,617
Wheat „ .	1,818,425	92,128
Cotton „ .	2,554,954	2,661,069
„ yarn lbs. .	115,337,945	80,657,690
„ piece-goods yds. .	46,575,869	28,001,449
Hides and skins, raw cwt. .	313,543	341,095
Oilseeds „ .	8,297,899	3,099,831
Indigo „ .	28,452	141,071
Jute „ .	2,533,872	8,930,484
Gunnybags No. .	75,586,873	90,358,658
Silk, raw, and cocoons lbs. .	616,979	877,810
Sugar cwt. .	1,118,089	42,076
Tea lbs. .	73,048,765	75,859,696
Wool, raw „ .	15,993,835	12,438,927

Here we find in the second half of the year a larger trade than in the first half in rice, cotton, indigo, jute, the second half of the year being the "season" for these articles. In wheat and oilseeds there was an immense decline, following on the failure of crops, the exhaustion of stocks, and the rise of prices. In cotton yarn and piece-goods, and in raw wool, the decline was the result of the disorganisation of business in Bombay and Karachi caused by the plague. The increase in hides and skins was caused by the mortality amongst the cattle in the famine-stricken tracts, but the prohibitions of foreign countries against such articles coming from India prevented the full expansion of the trade, and though the trade of the second was larger than that of the first half of the year, the business of the year as a whole was much restricted. The fluctuations in the other articles in the list were due to conditions apart from the existence of famine and pestilence.

The following is a statement of the prices of the principal articles of Indian export, the prices in 1873 being taken to represent 100 :

	Cotton, Broach.	Cotton yarns, 20s.	Rice, moonghy.	Wheat No. 1, soft white.	Opium (Bengal)	Indigo, good.	Jute, picked.	Gunnybags.	Linsed, fine, bold, clean.	Tea.	TOTAL.
March 1873 . . .	100	100	100	100	100	100	100	100	100	100	1000
January '74 . . .	88	100	150	75	105	114	153	88	115	123	1111
" '75 . . .	80	81	128	80	96	109	126	111	108	123	1042
" '76 . . .	85	80	111	84	96	91	141	84	90	136	998
" '77 . . .	87	90	150	93	97	110	150	95	102	148	1122
" '78 . . .	84	80	155	119	97	88	150	101	106	135	1115
" '79 . . .	78	74	189	116	87	114	153	99	109	129	1148
" '80 . . .	98	81	136	115	94	112	169	89	113	126	1133
" '81 . . .	95	85	89	96	109	105	156	111	104	135	1085
" '82 . . .	90	80	83	97	102	117	137	113	91	126	1041
" '83 . . .	78	74	101	87	91	107	96	98	85	110	927
" '84 . . .	85	74	142	86	93	117	162	106	96	116	1077
" '85 . . .	90	72	142	74	99	103	110	94	98	90	972
" '86 . . .	81	72	130	80	93	107	137	85	101	90	976
" '87 . . .	85	69	103	89	83	70	137	98	101	77	912
" '88 . . .	95	74	110	86	80	82	153	125	95	84	984
" '89 . . .	93	79	131	95	94	93	192	126	112	77	1092
" '90 . . .	95	74	144	84	86	76	197	118	109	63	1046
" '91 . . .	84	70	147	87	79	86	126	93	97	81	950
" '92 . . .	75	65	162	103	79	74	236	132	112	71	1109
" '93 . . .	107	78	189	95	96	114	192	119	128	87	1205
" '94 . . .	84	71	170	80	84	108	241	109	123	52	1122
" '95 . . .	70	67	155	82	117	105	175	110	127	97	1105
" '96 . . .	94	74	142	81	100	105	175	108	115	84	1078
" '97 . . .	76	72	231	152	83	84	203	99	98	64	1162

The most striking feature in this list is the extreme rise in price in rice and wheat, the price of rice having increased in the year by 62·6 and of wheat by 87·7 per cent.

Grouping the items as in the trade returns, the values of the trade in each group for each of the last five years are as follows in Rx. :

	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
1. <i>Animals, living</i> . . .	137,307	123,213	137,761	161,053	177,967
2. <i>Articles of food and drink</i> . . .	30,810,947	27,240,303	28,841,690	30,249,862	25,338,844
3. <i>Metals and manufactures of metal</i> . . .	84,407	76,688	88,083	119,148	142,844
4. <i>Chemicals, drugs, medicines, narcotics, and dyeing and tanning materials</i> . . .	15,027,100	13,683,677	15,428,990	15,564,314	13,907,521
5. <i>Oils</i> . . .	633,626	535,881	775,016	738,707	608,789
6. <i>Raw materials and unmanufactured articles</i> . . .	38,830,240	45,024,829	40,683,202	42,195,810	39,305,222
7. <i>Articles manufactured and partly manufactured</i> . . .	16,422,080	15,331,024	17,802,843	20,516,730	20,399,473

Here we find that in none of the four important groups was there an increase. It is satisfactory to find, however, that the stress and strain of a particularly unfortunate year had but a trifling effect on one of these groups—manufactured articles, the decline in value being only fractional.

In the other three important groups, however, the decline was material. In raw materials there was a decrease of about 7 per cent, due to the restricted export of cotton, seeds, hides, wool, lac, oils, silk. In chemicals, drugs, narcotics, the decline amounted to about $10\frac{1}{2}$ per cent, due mainly to the fall in the value of opium and indigo. In articles of food and drink the failure of the grain crops accounts for a decline of 16·2 per cent.

ARTICLES OF FOOD AND DRINK.

Coffee.—The exports have been as follow :

	Cwt.	Rx.		Cwt.	Rx.
1887-88 .	273,775	1,529,680	1892-93 .	296,687	2,066,862
1888-89 .	365,299	1,884,243	1893-94 .	278,735	2,002,171
1889-90 .	239,795	1,489,872	1894-95 .	281,297	2,122,373
1890-91 .	233,451	1,454,985	1895-96 .	290,902	2,198,192
1891-92 .	311,864	1,998,659	1896-97 .	210,797	1,585,039

The exports fell to the lowest level known for many years, the result of a scanty crop. The estimates of the present crop are also unfortunately very unfavourable, and the crop of the present year will, it is anticipated, be much worse than that of last year. Brazil, on the other hand, is reported to have a splendid crop, so that the Indian planter will apparently not even have the consolation of high prices with his short crop. In the six years ending 1896-97 the exports of coffee have been on the average 278,380 cwt. annually, while in the five preceding years (1886-87 to 1890-91) the average was 296,555 cwts. The trade therefore does not expand, notwithstanding the encouragement given by the continuance of a high level of prices during the last eight or ten years. According to the figures obtained from the local Governments, the production (which is mainly confined to Mysore, Coorg, and Madras) averaged 33·5 million pounds in the decade ending with 1895 and in the same period the exports averaged 32·9 million pounds. The quantity retained for local consumption may therefore, if the figures of production are correct, be taken at about 580,000 pounds annually, or about 5,200 cwt.

Rice.—The total exports from each province in each of the last ten years are given below :

Exports of Rice (husked) in cwt. (000's omitted).

	Burma.	Bengal.	Madras.	Bombay.	Sind.	Total for India.	Value Rx.
1886-87 .	18,216	5,902	1,564	639	139	25,460	8,764,809
1887-88 .	17,879	7,996	1,438	764	72	28,149	9,225,109
1888-89 .	14,205	6,417	1,538	589	19	22,768	7,845,350
1889-90 .	18,259	5,992	1,654	799	70	26,774	10,047,331
1890-91 .	24,581	7,928	1,210	646	109	34,474	12,773,628
1891-92 .	22,676	8,354	1,018	598	94	32,740	13,296,792
1892-93 .	18,339	7,201	1,002	716	137	27,395	12,274,352
1893-94 .	15,601	6,590	1,207	511	111	24,020	10,246,522
1894-95 .	22,781	7,916	1,663	1,233	129	33,722	13,692,095
1895-96 .	24,612	7,925	1,140	887	72	34,636	13,430,703
1896-97 .	19,370	5,053	2,550	811	36	27,820	11,850,261

The rice harvest of 1895 was on the whole much below the average, being specially deficient in Bengal which produces about three-fourths of the whole crop of Indian rice (including Burma). The following extracts from the final report on the crop issued from the Statistical Bureau in February 1896 state the particulars in regard to the three great rice-producing provinces, Bengal, Burma, and Madras :

"The yield of the crop is estimated at 405,841,000 cwt., more than three-fourths of this quantity representing the production in Bengal, which is estimated at a fraction under 318 million cwt. The outturn in both Madras (39,667,000 cwt.) and Burma (48,258,000 cwt.) is materially larger than last year; but the yield in Bengal is nearly 24 per cent below that of last year and is almost to the same extent smaller than the average. The result therefore is, Bengal bulking so largely as a rice-producing country, that the total yield of all three provinces is expected to be about 18½ per cent smaller than last year and 21 per cent below the average."

The bulk of the production of Bengal is consumed in the country, the exports to foreign countries being three times as large from Burma as from Bengal, and Burma had an average crop,

The crop of 1896, part of which was exported in the last three months of the year 1896-97, was much worse in Bengal and Madras than the crop of 1895, as will be seen from the annexed extract from the final report issued by the Statistical Bureau in February 1897 :

"The total yield of the crop is estimated at 279,838,600 cwt., or say 13,992,000 tons, which is about 33 per cent less than the yield of 1895-96 and 45 per cent below the average. The decrease is very great in Bengal, the yield being only 180,648,600 cwt. against 317,514,600 cwt. in 1895-96 and an average of 413,700,000 cwt. There is also a decrease in Madras, but in Lower Burma the crop is excellent and is said to be the largest known."

In Madras the yield was estimated at 52½ million cwt., being 7 per cent less than the preceding year.

Although in Burma rice is very extensively produced for export and in both the last two seasons the crop was good, extremely good last winter, there was a large decline in the exports thence to foreign countries in consequence of the diversion of rice from the foreign export trade to meet the demand, at higher prices, for consumption in Upper Burma and in Bengal, which arose in the second half of the year. The extent to which rice was required for these provinces will be seen from the subjoined comparative figures :

		<i>Exports from Lower Burma.</i>	
		To Upper Burma.	To Bengal.
		Cwt.	Cwt.
1894-95	.	734,142	761,140
1895-96	.	963,938	23,635
1896-97	.	2,711,110	3,132,040

The general result was a decline in exports from Burma to foreign countries of upwards of 21 per cent, and a decline in the exports from all India of nearly 20 per cent on the trade of the preceding year : that year, however, was one of extremely active trade.

The rise in the price of rice is indicated in the statement on page 28, but it is of interest to state the monthly fluctuations at Calcutta and Rangoon. It will be seen from these (below) that prices rose gradually until September

when, the failure of crops resulting from the early withdrawal of the monsoon having become assured, prices went with a bound to a level which sent the people in Bengal on famine relief at once. In Calcutta there was no rice for export after December, supplies coming in from Burma, and no quotations. In Rangoon there was a fall of prices after the rice was harvested in December with an excellent yield, but, though lower than the level which existed from August to December, they still remained high, and so continue to the present :

1896-97.		Calcutta :			Rangoon :			
		Moonghy.			Ngatsein.			
		Per maund.			Per cwt.			
		Rs.	A.	P.	Rs.	A.	P.	
April	1896	.	3	3	2	3	10	6
May	"	.	3	7	6	3	14	4
June	"	.	3	11	3	3	14	4
July	"	.	3	15	9	3	15	4
August	"	.	4	0	3	4	10	4
September	"	.	4	7	2	5	6	0
October	"	.	4	9	0	5	2	5
November	"	.	5	0	0	5	2	8
December	"	.	5	2	8	4	0	3
January	1897	.	...			4	0	4
February	"	.	...			4	0	3
March	"	.	...			4	1	3

The countries to which Indian rice was exported in the last five years are these (cwt., 000's omitted) :

	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
<i>Europe :</i>					
United Kingdom	5,346	4,917	4,681	5,311	3,839
Malta	200	293	540	...	...
France	41	55	55	101	10
Egypt	7,931	5,520	10,144	10,773	10,046
Germany	510	421	754	719	336
Other countries	57	2	347	3	12
TOTAL	14,085	11,208	16,521	16,907	14,243
<i>Asia :</i>					
Ceylon	4,104	3,911	4,346	4,656	3,898
Straits	2,921	3,177	4,608	6,410	3,745
Arabia and Aden	1,226	901	1,186	1,024	970
Persia and other countries .	369	364	502	651	184
TOTAL	8,620	8,353	10,642	12,741	8,797
<i>Africa :</i>					
Mauritius, Réunion, and Eastern Coast	1,845	2,023	2,548	2,313	2,080
Cape Colony, Natal, and other countries	227	231	502	462	554
TOTAL	2,072	2,254	3,050	2,775	2,634
<i>America :</i>					
West Indies	271	123	291	234	179
South America (chiefly Brazil) .	2,166	2,019	3,040	1,943	1,914
Canada	118	2	82	...	...
United States	24	25	70	...	...
TOTAL	2,579	2,169	3,483	2,177	2,093
<i>Australia</i>	39	36	26	36	53

The shipments to European countries fell by $15\frac{3}{4}$ per cent, the use to which Indian rice is put being met by other grains, potatoes, and beet. It will be noticed that there have been no exports to Malta for two years. The cessation of this trade is due to Italian fiscal laws directed against the importation of uncleaned rice, Malta having been used as a store for distribution of rice as wanted to Italian ports.

Shipments to Asiatic countries, where rice is used exclusively for food, were reduced by 31 per cent, the demand from the Straits and Ceylon having been met from other rice-growing regions than India. The relatively small demand for coolie consumption in Africa and America was but little reduced.

Wheat.—The trade collapsed in the second half of the year as a result of very bad crops and of the retention of such wheat as was available for export for internal consumption. What export there was occurred in the early part of the year; and it was small enough, as will be evident from a comparison of the figures of last year with those of the four preceding years :

	From Bengal.	From Bombay.	From Sind.	From Burma and Madras.	Total exports.	Total value.
	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.	Rx.
1892-93 . .	3,325,063	8,174,360	3,473,824	206	14,973,453	7,440,383
1893-94 . .	1,037,998	4,700,180	6,418,317	56	12,156,551	5,193,885
1894-95 . .	240,526	1,045,735	5,600,987	543	6,887,791	2,565,271
1895-96 . .	1,011,934	2,797,842	6,192,816	320	10,002,912	3,913,896
1896-97 . .	74,107	1,159,698	676,250	498	1,910,553	836,395

The wheat sown in the autumn of 1895 came into the market between March and May 1896. What the crop was like will be apparent from the subjoined extract from the final report on it issued by the Statistical Bureau in June 1896 :

“As a consequence of the premature cessation of the autumn monsoon of 1895 the area placed under wheat was, in most of the wheat-growing regions, seriously restricted; and as a consequence of the almost complete failure of the winter rains of 1895-96 the yield on this restricted area was also in every case much below the average. In the North-Western Provinces and Oudh the poor harvest followed on an even poorer harvest in the preceding year, and the same remark applies to the Nizam's territory; in the Central Provinces also the poor harvest followed a deficient harvest last year. In all other places the yield was greatly below that of the preceding year as well as below the average yield. In the Panjab, where the harvest represents from 35 to 40 per cent of the whole of the Indian wheat harvest, the deficient outturn of this season followed on two successive harvests of remarkable abundance.”

The outturn (in tons) of the crop in each of the principal wheat-growing provinces was as follows :

	Average (five years ending 1893-94).	1894-95.	1895-96.
Panjab	1,998,269	2,395,353	1,715,873
North-Western Provinces and Oudh	1,619,750	1,141,297	1,236,486
Bengal	459,000	486,300	345,800
Bombay and Sind . .	784,139	960,322	511,533
Rajputana and Central India	...	1,195,113	1,138,730
Central Provinces . .	730,981	502,275	431,689

The total deficiency in 1895-96 was thus about 20 per cent compared with 1894-95, and that was also a bad year for two at least of the larger wheat-growing tracts. The bad harvest of the spring of 1896 having followed a poor harvest of other grains in the autumn of 1895, the demand for wheat for internal consumption was quickened, and prices rose rapidly and maintained a very high level during the year, operating as a check on exports. Indeed, practically the whole of the export trade—that is, 1,818,000 out of the 1,910,000 cwt. exported in the year—was limited to the first half of the year. With a further and greater failure of the autumn harvest of 1896 the price of wheat rose to such a point as virtually to put a stop to the export trade for the remainder of the year. The course of prices during the year at the three principal ports was as follows :

1896.	Karachi, per candy of 650 lbs.	Bombay. Per cwt.	Calcutta. Per maund.
April . . .	26 2 5	4 8 10	3 3 0
May . . .	26 3 0	4 10 8	3 6 1
June . . .	25 13 6	4 11 1	3 7 2
July . . .	25 10 0	4 11 1	3 8 3
August . . .	26 3 0	4 12 3	3 12 0
September . . .	28 4 0	4 14 6	4 2 5
October . . .	33 13 7	7 6 6	5 6 0
November . . .	36 10 6	7 14 6	5 5 6
December . . .	36 7 2	7 15 1	5 3 2
1897.			
January . . .	30 12 0	5 6 8	5 1 6
February . . .	31 2 6	5 7 4	4 14 6
March . . .	30 5 6	5 10 3	4 3 0

Wheat-flour.—The exports fell from 74,114,000 lbs. in 1895-96 to 67,177,000 lbs. in 1896-97, a decline of 9·3 per cent. It might have been expected, considering the price of wheat, to be greater, but nearly two-thirds of the whole exports had been shipped by September before the price of wheat rose to a prohibitive level.

The trade in flour is directed mainly to the African and Arabian coasts, the bulk of the trade being from Bombay.

Jawar and Bajra and Pulse—

	<i>Jawar and Bajra.</i> Cwt.	<i>Pulse.</i> Cwt.
1892-93 .	920,366	435,993
1893-94 .	752,745	850,635
1894-95 .	814,269	440,025
1895-96 .	731,669	742,086
1896-97 .	652,812	555,942

The reduction in the trade is due to the reduced harvests and the high level of prices, so high that *jawar* was for some time selling in the markets of Northern India for as high a price as wheat.

The export of *gram* fell from 633,199 cwt. to 274,954 cwt. ; while *oats* (which grain is hardly if at all consumed by people in India) only fell from 90,067 cwt. to 85,064 cwt. *Barley* also fell from 34,058 to 19,537 cwt.

Sugar.—The trade in refined sugar is extremely fluctuating; the exports of raw sugar are far larger and more steady though not progressive, circling around the vicinity of one million cwt. for the last ten years or more. The figures appended shew the exports in the last five years:

		Refined. Cwt.	Raw. Cwt.
1892-93	.	37,461	798,773
1893-94	.	146,946	1,150,635
1894-95	.	60,179	958,107
1895-96	.	41,934	1,021,832
1896-97	.	62,963	1,097,202

Almost the whole of the exports were shipped in the first half of the year under the stimulus of a rapid rise in prices induced by apprehensions of a failure of supplies from Cuba. But supplies came forward from all parts, and prices fell, more rapidly than they had risen, to an extremely low level.

Almost all our raw sugar is destined for the refineries in the United Kingdom, and these refineries are struggling under the competition of Continental bounty-fed sugars. There is not therefore at present much room for expansion of the trade.

Tea.—The exports of the year exceeded those of 1894-95 by about $8\frac{1}{2}$ million pounds, and the total quantity exported was more than twice as large as the quantity exported twelve years ago, as the figures below shew:

	lbs. (ooo's omitted.)	Rx.		lbs. (ooo's omitted.)	Rx.
1885-86	. 68,784	4,306,133	1891-92	. 120,149	5,968,129
1886-87	. 78,703	4,727,992	1892-93	. 114,722	6,292,348
1887-88	. 87,514	5,174,440	1893-94	. 126,332	6,585,835
1888-89	. 97,011	5,267,315	1894-95	. 129,099	7,555,745
1889-90	. 103,760	5,277,650	1895-96	. 137,710	7,664,889
1890-91	. 107,015	5,219,233	1896-97	. 148,908	8,124,548

An increase of $8\frac{1}{2}$ million pounds in 1895-96 was followed last year by another increase of $11\frac{1}{4}$ million pounds. It is estimated that the production of tea in the present year is from 8 to 9 million pounds in excess of the production of last year.

The average prices realised at the auction sales in Calcutta during the last eight years were as follow, in annas and pie per pound. The decline in prices which occurred in 1895-96 was followed by a further fall last year, and prices approximated (except as regards the comparatively limited quantity of orange pekoe) to the range of prices of 1891-92:

	1889-90.	1890-91.	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
Orange (and broken orange) pekoe .	. 11-8	11-2 $\frac{3}{4}$	11-1	13-6 $\frac{5}{8}$	11-1 $\frac{7}{8}$	14-0 $\frac{2}{5}$	11-1 $\frac{1}{2}$	9-11 $\frac{3}{8}$
Broken pekoe .	. 9-9	8-10 $\frac{3}{4}$	8-7 $\frac{1}{2}$	11-3 $\frac{1}{2}$	9-2 $\frac{4}{5}$	11-8	9-0	0-7 $\frac{3}{4}$
Pekoe .	. 7-5	7-2	7-0 $\frac{1}{2}$	8-9	7-2 $\frac{3}{4}$	9-4 $\frac{4}{5}$	7-3 $\frac{4}{5}$	6-9 $\frac{9}{10}$
Pekoe fannings .	. 5-7	5-10	5-3 $\frac{1}{2}$	6-7 $\frac{1}{8}$	5-7 $\frac{1}{8}$	7-3 $\frac{5}{8}$	6-0	5-9 $\frac{1}{2}$
Pekoe souchong .	. 5-7	5-8 $\frac{1}{4}$	5-3 $\frac{1}{2}$	6-5 $\frac{1}{4}$	5-4 $\frac{4}{5}$	7-2 $\frac{5}{8}$	5-11	5-5 $\frac{1}{2}$
Broken ditto .	. 5-0	5-3 $\frac{1}{2}$	4-9 $\frac{3}{8}$	5-10 $\frac{9}{10}$	4-11 $\frac{5}{8}$	6-8 $\frac{1}{8}$	5-6 $\frac{4}{5}$	5-3 $\frac{5}{8}$
Other low class .	. 4-8	5-2	4-2 $\frac{1}{2}$	5-0 $\frac{1}{2}$	4-5 $\frac{3}{4}$	5-6	4-11 $\frac{1}{2}$	4-6 $\frac{1}{2}$

The exports were distributed as follows in pounds (ooo's omitted) :

	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
To United Kingdom .	108,513	116,007	118,417	123,947	135,457
Australia . .	3,908	6,240	4,872	6,775	6,156
Persia . .	1,407	2,497	3,173	3,188	1,994
Turkey in Asia .	115	456	1,395	1,356	1,981
United States .	50	116	228	581	785
Canada . .	39	113	317	408	823
Russia in Asia .	...	...	44	486	422

The bulk of the tea was as usual shipped to the United Kingdom, about 91 per cent of the whole having been sent thither, an even larger proportion than in 1895-96 (90 per cent). The exports to Australia were not maintained on the level of 1895-96, and there was also a marked decline in the exports to Persia and Russia. The trade in tea with these two countries is chiefly carried on from Bombay, and the epidemic in that city sufficiently accounts for the reduction. As a set-off, it is satisfactory to note the continued success which has attended the efforts made by the Indian Tea Association to develop the trade with the United States and Canada, about 1,600,000 lbs. having been shipped thither last year. Both these countries also receive a fairly large quantity of Indian tea through the United Kingdom, the exports thence being :

	1895.	1896.
To United States lbs. .	908,743	902,619
„ Canada „ .	823,207	905,597

So that the total consumption in both countries now approximates to $3\frac{1}{2}$ million pounds. There is, however, manifestly room for at least a tenfold expansion of the trade even now, with indefinite possibilities of further expansion hereafter, and doubtless the Indian Tea Association are alive to the expediency of continuing their efforts to promote the trade.

The figures appended, being the imports of tea into the United Kingdom, shew the condition of the competition between Indian, China, and Ceylon tea in the English market, which, as stated above, is the market for more than nine-tenths of the tea exported from India (lbs., ooo's omitted) :

	From India.	From Ceylon.	From China.
1884 .	63,208	2,211	143,771
1885 .	64,382	4,242	139,673
1886 .	73,467	7,144	145,308
1887 .	84,645	13,062	119,799
1888 .	89,874	22,510	105,735
1889 .	95,384	32,673	88,558
1890 .	101,771	42,491	73,743
1891 .	109,638	61,900	62,284
1892 .	111,711	66,042	57,051
1893 .	115,023	72,631	56,209
1894 .	118,380	76,311	43,763
1895 .	123,362	83,448	40,084
1896 .	127,720	94,860	35,300

Since 1884 the imports of Indian tea have more than doubled ; the imports of Ceylon tea have reached nearly 95 million pounds from the small beginning of 1884, when coffee was being supplanted in the island by tea ; and the imports of China tea are less than one-fourth what they were in 1884. It was confidently stated before the closure of the Indian mints in 1893 that that event would

enable China to recover her supremacy in the tea market, and the prediction has even been hazarded since by some very rash prophets (not, however, in India). These figures furnish a singularly conclusive refutation of such assertions. In 1884 China was sending to the English market more than twice as much tea as India and Ceylon combined: in 1896 India and Ceylon sent to England more than six times as much tea as China. And the decline in the importation of China tea has been as great and rapid since 1893 as before. Messrs. Gow, Wilson, and Stanton state that the consumption of tea in the United Kingdom in 1896, was: Indian 54 per cent, Ceylon 35 per cent, China 9 per cent, other kinds 2 per cent.

The places of shipment of Indian tea are :

	1894-95. lbs.	1895-96. lbs.	1896-97. lbs.
From Bengal .	123,000,733	130,495,190	143,235,822
Bombay .	2,828,746	3,940,295	2,413,247
Sind .	1,067,359	674,795	505,344
Madras .	2,149,006	2,510,059	2,690,027
Burma .	53,472	89,866	64,021
TOTAL .	129,099,316	137,710,205	148,908,461

There is also a small export from Travancore and Cochin.

The considerable decline in Bombay was due, as already stated, to the epidemic of plague which dislocated business, while quarantine regulations in Russia treated even tea as a suspected or susceptible article.

Here it may be mentioned that the export of tea seed from Bengal, mainly to Ceylon, has been in the last two years as follows :

	Cwt.	Rx.
1895-96 .	3,232	35,985
1896-97 .	4,173	52,825

METALS.

The principal items under this head have until recently been hardware and cutlery and wares of brass and copper, in which there is an unimportant trade. During the last few years, however, a trade has been created in the exportation of *Manganese ore* from the Madras Presidency to the United Kingdom and, to a limited extent, to the United States. The dimensions of the trade will be seen from the subjoined figures :

	Cwt.	Rx.
1892-93 .	20,000	800
1893-94 .	33,000	1,320
1894-95 .	128,320	5,133
1895-96 .	455,160	18,206
1896-97 .	946,600	37,864

This mineral is extensively employed in the manufacture of bleaching powder and for other purposes.

CHEMICALS, DRUGS, DYES.

Saltpetre.—The exports have been :

	Cwt.	Rx.
1892-93 .	443,931	438,940
1893-94 .	321,933	338,102
1894-95 .	352,985	411,365
1895-96 .	421,769	535,945
1896-97 .	528,452	572,164

The active demand, chiefly from the United Kingdom and the United States, and to a lesser degree from China, which marked the year 1895-96 continued during last year under the encouragement of a lower range of prices; and the exports were on a larger scale than has been seen for many years.

The trade in *Chinchona bark* on the other hand, which at one time seemed to present a brilliant prospect of development, has dwindled almost to vanishing point, the exports last year (321,478 lbs.) being less than a third of the trade of 1895-96 and less than a tenth of the trade of seven years ago. The chinchona tree is now in fact hardly grown except by the Government which manufactures all the bark produced into alkaloids and the sulphate of quinine for use in India. Planters who took up the cultivation some fifteen or twenty years ago in the hope of making large profits have been greatly disappointed, and in most cases the trees have been uprooted to make way for tea or coffee. The trade will go on with fluctuations for some years to come perhaps, but there is no appearance now that it will assume any importance. It would seem that, at the present low level of prices for these drugs, the Indian bark cannot compete in Europe with bark from Peru or the countries where the tree is now grown, and that the bark we grow cannot be profitably used (unless there should be a radical change in existing conditions) except for manufacture for Indian consumption.

Opium.—The exports are (number of chests) :

	From Bengal.	From Bombay.	Total.	Value. Rx.
1891-92 .	56,773	30,785	87,558	9,562,261
1892-93 .	48,149	27,235	75,384	9,255,014
1893-94 .	43,593	27,246	70,839	8,019,428
1894-95 .	39,778	29,056	68,834	9,064,665
1895-96 .	36,390	24,470	60,860	8,459,336
1896-97 .	39,527	22,731	62,258	8,022,923

Average price—

	Bengal. Rs.	Bombay. Rs.
1891-92 .	1,059	1,152
1892-93 .	1,243	1,200
1893-94 .	1,110	1,167
1894-95 .	1,331	1,297
1895-96 .	1,387	1,394
1896-97 .	1,257	1,344

The exports were thus distributed (in chests) :

	1894-95.	1895-96.	1896-97.
China—Hongkong	30,823	28,527	29,215
„ —Treaty Ports	20,992	17,090	15,918
Straits	14,567	12,529	13,090
Cochin-China	1,400	1,450	2,660
Other countries	1,052	1,264	1,375

This trade was embarrassed in the second half of the year by the stringency of the Indian money market which discouraged speculation at the monthly opium sales in Calcutta and induced a fall of prices, and the fall of prices was further assisted by the increasing divergence between the exchange value of the rupee and the tael, necessitating readjustments of prices.

Tobacco.—The export of cigars continues at a level which fluctuates between half a million and 600,000 pounds, but an increase in value seems to indicate an improvement in quality which ought to ensure the continuance and augmentation of the trade. Its dimensions in the last five years are stated below :

	lbs.	Rx.
1892-93 .	517,970	43,096
1893-94 .	549,197	50,629
1894-95 .	593,539	60,804
1895-96 .	600,940	62,701
1896-97 .	557,816	63,781

To the extent of about 387,000 lbs. these cigars were shipped from Madras, 201,000 lbs. being taken to the United Kingdom. The remainder are smoked in Ceylon, Aden, Mauritius, Natal, and even in Germany and Australia. There is evidently a very extended field for the consumption of Madras cigars beyond as well as within India.

There is also a large export of leaf tobacco—11¼ million pounds last year—of which a considerable proportion is sent from Bombay to Aden whence it is distributed in the neighbouring regions of Arabia and Somaliland.

Cutch.—The exports are :

	Cwt.	Rx.
1892-93 .	229,316	382,484
1893-94 .	187,115	337,890
1894-95 .	155,032	292,136
1895-96 .	183,729	379,611
1896-97 .	122,082	239,953

The noticeable decline last year is attributed to the indisposition of buyers to pay the prices demanded by exporters who were encouraged by the high prices and active demand of the preceding year. In a trade which, like this, is confined to a limited region and is in few hands there will always be fluctuations the outcome of the action and reaction of speculative influences.

Indigo.—The exports of the last ten years were :

	Cwt.	Rx.		Cwt.	Rx.
1887-88 .	139,644	3,890,649	1892-93 .	126,703	4,141,179
1888-89 .	142,447	3,948,594	1893-94 .	131,399	4,182,128
1889-90 .	157,116	3,863,084	1894-95 .	166,308	4,745,915
1890-91 .	118,425	3,073,125	1895-96 .	187,337	5,354,511
1891-92 .	125,327	3,214,076	1896-97 .	169,523	4,370,757

The exports from Calcutta and Madras respectively have been as follow in the last eight years :

	Calcutta. Cwt.	Madras. Cwt.
1889-90 .	91,835	53,889
1890-91 .	69,819	40,696
1891-92 .	98,075	19,718
1892-93 .	61,637	47,116
1893-94 .	76,398	42,751
1894-95 .	106,830	44,974
1895-96 .	111,714	62,425
1896-97 .	109,001	43,680

The indigo exported from Calcutta was shipped to the extent of about 38·4 per cent to the United Kingdom, the Continent taking 40·6 per cent. Of the rest the bulk was shipped to the United States. The Madras indigo was shipped to the extent of about 32 per cent to the United Kingdom and 28 per cent to Egypt. The Continent takes but little of this indigo, preferring the finer Bengal kinds.

The good crop of 1895 in Bihar and Bengal was followed by another which promised badly in the beginning, the first cuttings being generally poor, but dry weather permitted the production of an extremely and unusually good second crop which in many places in Bihar more than compensated for the deficient first crop. The production generally, however, was much lower in these parts than in 1895, the yield being estimated at between 51 and 52,000 cwt. against about 73,000 in 1895. But in the North-Western Provinces and Oudh, where the indigo plant is only grown on irrigated tracts, the production amounted to nearly 41,000 cwt., the yield of the preceding year having been about 34,000 cwt. The quantity available for shipment and shipped from Calcutta was therefore but little less than in the preceding year when it was unusually large. The producers, however, were deprived of the satisfaction they had in the high level of prices of 1895, prices having fallen in the last indigo season. The fall appears to have been mainly due to the presence in the indigo brought down for export of a considerable proportion of inferior dye. Great complaint is being made at present of the inferior quality of the dye produced by native growers in the Doab of the North-Western Provinces. Messrs. William Moran and Company, of Calcutta, write of the quality of the indigo sold in Calcutta during the season: "The quality of Lower Bengal indigo was extremely disappointing . . . The quality of the Bihar outturn was also much below the average . . . The quality of the Benares crop was decidedly poor . . . The North-West also furnished us with hardly any good or fine indigo . . ."

In Madras the crop was less than half a full crop and was about 36 per cent less than that of 1895, being estimated at 40,440 cwt. on the area for which reports were received.

Myrabolams.—As with almost all articles exported from Bombay, there was a reduction in this trade, due partly to deficient supplies from the Central Provinces and partly to the derangement of trading operations in Bombay in the second half of the year. The trade amounted to about 900,000 cwt., value Rx. 361,000.

OILS.

The value of the exports of oils of all kinds is comparatively small:

	Rx.
1892-93 .	633,626
1893-94 .	535,881
1894-95 .	775,016
1895-96 .	738,707
1896-97 .	608,789

The most important descriptions are castor and cocoanut:

	Castor.	Cocoanut.
	Gallons.	
1892-93 .	2,578,992	1,643,971
1893-94 .	2,294,644	821,355
1894-95 .	2,679,236	2,285,524
1895-96 .	2,016,461	2,205,727
1896-97 .	1,997,545	1,137,468

Neither of these has progressed, the latter indeed having fallen away altogether from the high level reached in the two preceding years. It is difficult to say what has been the cause of these fluctuations, for no useful information as to the causes and effects of commercial changes seems to be obtainable from the Madras Presidency.

A small trade is done in the exportation of kerosene oil from Burma to the Straits, and there is also an increasing export of paraffin wax from the same province—mainly to the United Kingdom, though small quantities are also sent to the Straits and to Australia. This article is a by-product evolved in the process of refining petroleum which is carried on at Rangoon. The progress of the trade will be seen from the subjoined figures :

	Cwt.	Rx.
1891-92 .	13,635	20,236
1892-93 .	21,278	38,058
1893-94 .	28,858	50,779
1894-95 .	25,458	47,703
1895-96 .	34,715	60,162
1896-97 .	41,332	76,474

RAW MATERIALS AND UNMANUFACTURED ARTICLES.

Bristles and fibre (for brooms and brushes).—This trade has been separately specified in the statistics during the last two years only. It represented last year a value of Rx. 93,734, the value in 1895-96 having been Rx. 80,263.

Coal and coke.—This appears to be a rapidly increasing trade. In 1892-93 the exports were limited to less than 16,000 tons; in 1894-95 they had increased to 53,665 tons; in 1895-96 to about 81,000 tons, and last year they amounted to 136,719 tons, the destinations of which were :

Ceylon	93,635
Aden	16,775
Straits	14,532
Mauritius	7,757
Turkey in Asia	2,550
Sumatra	1,300

and trifling quantities to the Persian Gulf and to Zanzibar.

Cotton.—The exports of the last sixteen years are given below (cwt., 000's omitted) :

	Cwt.	Rx.		Cwt.	Rx.
1881-82 .	5,627	14,935,959	1889-90 .	6,320	18,668,404
1882-83 .	6,168	16,049,017	1890-91 .	5,914	16,502,775
1883-84 .	5,979	14,383,728	1891-92 .	4,425	10,754,312
1884-85 .	5,066	13,286,367	1892-93 .	4,789	12,743,679
1885-86 .	4,190	10,777,204	1893-94 .	4,789	13,296,670
1886-87 .	5,433	13,468,429	1894-95 .	3,385	8,703,356
1887-88 .	5,375	14,412,842	1895-96 .	5,248	14,090,193
1888-89 .	5,331	15,045,648	1896-97 .	5,216	12,970,089

It will be observed that the trade is not progressive. In part, the demand for export has been smaller recently than in the earlier periods, since the great fall in price of American and Egyptian cotton; but in larger part the demand for the Indian mills has diverted the trade.

The exports last year were almost the same as in 1895-96, but there was a material reduction in value due to a fall of price. The consumption of cotton

by the mills was reduced during the second half of the year, in consequence of the epidemic of plague and the prevalence of famine. Cotton which would in an ordinary year have found an outlet in the mills was set free for export, the supply being in excess of the export demand. The crop of 1895 was on the whole good, better than in the preceding year and about up to the average, but the crop of 1896 was very poor.

The export trade of the year would probably have been much larger but for the plague and the consequent quarantine restrictions and prohibitions imposed on trade from Bombay by various countries. The table below states the principal countries to which Indian cotton has been exported in the last ten years (in cwt., 000's omitted):

	1887-88.	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
Japan	...	...	61	78	401	444	368	465	856	1,499
Germany	139	191	486	810	745	915	1,022	692	994	871
Italy	774	781	957	824	588	709	670	565	662	668
Belgium	676	873	941	907	670	684	824	468	748	631
Austria-Hungary	688	755	741	719	548	594	616	402	717	538
France	487	549	635	689	509	537	472	269	465	382
United Kingdom	2,140	1,776	2,166	1,520	710	528	521	333	644	379
China	202	139	125	119	110	46	4	29	60	163

The increase of the exports to Japan is very noticeable. The causes of the development of this trade have been stated in the last issue of this review, and it is unnecessary to recapitulate them. Last year's exports to that country were exceptionally large, under the inducement of a lower range of prices, and it is possible that the trade of the present year may be of somewhat reduced dimensions—especially as there is a shorter crop and a revived activity in the Indian mills—but it merits notice that last year Japan was the largest consumer of Indian cotton. It should also be added that merchants in the business estimate that 60 per cent of the requirements of the Japanese mills (which are estimated at 850,000 bales of 400 lbs.) must be met from India, and the continuance of a very large trade is therefore anticipated by them. In 1895-96 Germany was the largest consumer of Indian cotton, but last year Germany took the second place. The United Kingdom as a consumer of Indian cotton is low down on the list, our cotton now being taken mainly by Japan, China, and the Continent of Europe.

It may be noted that there was no reduction in the exports from Bombay, the trade there being a trifle larger than in 1895-96: there was a reduction in Bengal and Madras.

Hides and skins.—The exports are:

	<i>Hides.</i>			<i>Skins.</i>	
	No.	Rx.		No.	Rx.
1892-93	6,739,740	1,761,469		8,477,905	876,703
1893-94	7,409,879	1,948,482		6,370,835	618,968
1894-95	8,050,886	2,088,918		7,674,551	790,658
1895-96	8,244,530	2,610,344		8,173,037	1,017,949
1896-97	7,427,943	2,541,044		6,310,988	693,532

There was thus a great contraction of trade last year under both heads. This was primarily and mainly due to the prohibitions imposed by foreign countries after the outbreak of plague on the importation of hides and other animal matter.

Jute.—The exports in the last fifteen years were as follows (cwt., 000's omitted) :

	Cwt.	Rx.		Cwt.	Rx.
1882-83 .	10,349	5,846,926	1890-91 .	11,986	7,602,010
1883-84 .	7,018	4,592,635	1891-92 .	8,532	6,848,493,
1884-85 .	8,369	4,661,368	1892-93 .	10,537	7,944,223
1885-86 .	7,782	4,355,362	1893-94 .	8,690	8,524,130
1886-87 .	8,307	4,869,815	1894-95 .	12,977	10,575,977
1887-88 .	9,643	6,040,379	1895-96 .	12,267	9,992,861
1888-89 .	10,553	7,897,154	1896-97 .	11,464	10,550,577
1889-90 .	10,256	8,639,861			

The area sown with jute in 1895 was estimated at $2\frac{1}{4}$ million acres, and the crop is reported to have been even larger than that of 1894, which was a remarkably good one. The area sown in 1896 was very nearly equal to the area sown in 1895, but the crop suffered from insufficient rain when rain was wanted, and from unseasonable rain at a time when rain was injurious to the young crop. On the basis of 16 annas representing a full crop the official estimate of the crop of 1896 gave a return of 12 annas only against $15\frac{1}{3}$ in 1895, and the gross yield in 1896 was estimated to be 4,971,000 bales (of 400 lbs. each) in 1896 against 6,426,000 bales in 1895—the reduction amounting to about $22\frac{1}{2}$ per cent. The effect on prices was very great and, as it happened, not quite necessary, for after all it appeared that the injury to the crop had been exaggerated, and that the quantity of fibre saved and brought to market was not materially less than in the preceding year. Many of the mills lost much money by laying in stocks of raw material at very high prices. The export trade was also restricted by the high range of prices, and towards the end of the year some countries, Spain for instance, in their concern lest the plague should reach them, shut out jute and other Indian merchandise from their ports.

. The destination of the jute has been as follows in the last four years (cwt., 000's omitted) :

	1893-94.	1894-95.	1895-96.	1896-97.
United Kingdom . .	5,469	6,842	7,334	6,749
Germany . .	1,171	2,380	1,755	1,823
United States . .	854	2,167	1,577	1,272
France . .	335	558	545	572
Italy . .	255	363	344	334
Austria-Hungary . .	297	423	373	238
Spain . .	125	179	196	127

Manures.—This trade has assumed somewhat considerable dimensions. The exports of the last five years, which consist chiefly of animal bones, have been :

	Tons.	Rx.
1892-93 .	48,616	250,642
1893-94 .	51,390	280,804
1894-95 .	79,728	478,557
1895-96 .	79,402	460,404
1896-97 .	76,293	423,207

There has been a somewhat absurd outcry raised against this trade, and it has been urged that the State should interfere to prevent it, because the country is parting with material which is necessary for the enrichment of the soil. The answer to the contention is that, while the State could no doubt prevent the

manures from being exported, it could not compel the cultivator to use them. As a matter of fact, the cultivator generally declines to use them. This being so, it is better that they should be used elsewhere and a certain money return be obtained for them than that they should be left to lie about the waste places of the country, an unsightly nuisance. The outcry perhaps is not quite as disinterested as it seems; there are planters who would like to use bone-manure on their estates, but who dislike paying the competition prices which are demanded when other planters outside India are also ready to buy the same article. At the same time, there is material for reflection in the fact that India sells bones to Germany wherewith to produce beet whence is manufactured sugar which competes in India itself with sugar manufactured from canes grown on imperfectly manured fields. The principal destination of the manures last year was :

	Tons.
United Kingdom . . .	37,610
Germany . . .	16,236
France . . .	9,977
Belgium . . .	5,540
Ceylon . . .	3,843

Mica.—This trade has also been advancing recently from very trifling dimensions. Last year the exports amounted to 12,826 cwt., value Rx. 115,336.

Rice-bran.—This is also a trade which until recently was unknown. In the last two years the exports have been :

	Tons.	Rx.
1895-96 . .	92,017	208,926
1896-97 . .	102,416	255,551

The trade is confined to Burma where the bran is evolved as a by-product in the rice-mills.

Seeds.—Exports—

	Cwt.	Rx.		Cwt.	Rx.
	(ooo's omitted.)			(ooo's omitted.)	
1883-84 .	17,355	10,083,758	1890-91 .	14,799	9,343,252
1884-85 .	18,251	10,745,203	1891-92 .	19,164	12,208,458
1885-86 .	17,280	9,948,350	1892-93 .	16,509	11,631,015
1886-87 .	15,866	9,198,560	1893-94 .	24,229	16,753,251
1887-88 .	16,060	9,385,024	1894-95 .	20,887	14,201,520
1888-89 .	15,570	9,561,756	1895-96 .	13,672	9,717,431
1889-90 .	15,795	10,627,553	1896-97 .	11,398	8,011,680

The trade in the principal kinds of oilseeds was as follows in the last five years (cwt., ooo's omitted) :

	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
Castor .	989	1,108	1,175	1,048	998
Earthnuts .	1,525	1,537	2,267	1,118	486
Linseed .	7,818	10,245	9,016	5,629	5,350
Poppy .	502	846	586	738	865
Rape .	2,802	7,319	4,754	2,250	1,889
Til or jinjili .	2,555	2,424	2,325	2,461	1,587

The exports of linseed were smaller even than in 1895-96 when they were on an extremely low scale, and the same remark applies to that other important oilseed, rape, as well as to earthnuts. The export of sesamum (til or jinjili) was also greatly restricted. The limitation of the export trade was due to

deficient crops, the deficiency being accompanied by a range of prices too high to permit of a profitable export business. The trade generally indeed fell, both in quantity and in value, to a level not known since 1882.

Attention has frequently been drawn in former issues of this review to the opening which exists for a considerable trade in cotton seed in competition with Egypt and the United States. The extent of the opening may be inferred from the following remarks by Her Majesty's Consul at Marseilles in his report on the trade of that city for 1896: "I consider it advisable to call special attention to the enormous increase of imports of cotton seed oils from the United States and from England. The quantity of oil imported has been 25,716 tons, of which 21,000 came from the United States and 4,700 tons from England. These oils have been consumed in the greater part by the soapmakers as a substitute for ground-nut oils, and have proved very efficient." These remarks also explain in some degree the decline in our exports of earthnuts, for though the crops were bad they were not bad enough to account for such a fall as has occurred in the last two years, and especially last year. It is hardly necessary to say that, if an efficient substitute is found in cotton seed oil for earthnut oil, the trade in this nut has not a cheerful prospect before it, and attention might now be usefully directed to the substitute.

Silk.—Exports are as follow, in lbs. (ooo's omitted) :

	Reeled.	Chasam (waste).	Cocoons.	Total value in Rx.
1892-93 . . .	655	1,088	77	617,574
1893-94 . . .	613	1,081	77	698,099
1894-95 . . .	511	794	26	502,009
1895-96 . . .	708	1,072	12	642,169
1896-97 . . .	595	899	1	511,661

The good demand for Bengal silk which prevailed in 1895 does not seem to have been continued, the exports in that year having been more than proportionate to the demand. Silk was among the animal matters on which restrictions were placed in Europe, but the restrictions do not seem to have interfered with the trade, for the exports in the second half of the year were larger than in the first half when the trade was inactive. There was a small revival of demand in the second half of the year. The bulk of this trade is conducted by Bengal with the United Kingdom and France.

Teak timber.—Exports in the last five years :

	Cubic tons.	Rx.
1892-93 . . .	58,350	570,102
1893-94 . . .	45,964	457,447
1894-95 . . .	56,495	570,130
1895-96 . . .	63,516	670,974
1896-97 . . .	64,221	686,483

This trade has done better in the last two years than for some years previously, partly in consequence of the activity shewn recently by the United Kingdom in adding to the fleet and partly to the breakdown of Siamese competition resulting from the injudicious treatment of the Siamese forests.

Wool.—Exports in the last five years :

	lbs. (ooo's omitted.)	Rx.
1892-93 . . .	24,718	1,116,578
1893-94 . . .	24,249	1,079,772
1894-95 . . .	31,150	1,376,850
1895-96 . . .	31,042	1,355,108
1896-97 . . .	28,433	1,241,497

If this trade had continued throughout the year on the level of the first half, the exports of the year would have been higher than those of 1895-96 which was a good year for the trade. But the outbreak of plague at Bombay and Karachi interfered with business, and there was a great contraction in the shipments to the United Kingdom whither most of the wool of India is shipped. The trade with France and Japan, the other two largest consumers, was also curtailed.

ARTICLES MANUFACTURED AND PARTLY MANUFACTURED.

The following figures indicate the relative proportions of each principal class of manufactures in the last five years:

	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
	Rx.	Rx.	Rx.	Rx.	Rx.
Cotton yarn and goods .	8,100,658	6,242,558	7,148,679	8,344,587	8,456,474
Jute goods	3,237,993	3,441,787	4,210,834	4,747,443	5,213,930
Silk goods	197,178	242,417	167,198	183,399	159,841
Woollen goods . . .	120,080	146,662	151,342	182,885	202,032
Tanned hides and skins	2,953,762	3,233,877	3,680,364	4,011,185	3,766,794
Lac	780,163	952,149	1,394,908	1,826,206	1,383,245
Coir goods	232,279	213,782	222,461	313,126	240,031
Apparel	145,426	130,197	178,169	208,283	190,790

Cotton yarn.—The exports of the last ten years have been :

lbs.			lbs.		
(000's omitted.)		Rx.	(000's omitted.)		Rx.
1887-88	• 113,451	4,077,386	1892-93	• 189,175	6,773,482
1888-89	• 128,907	5,207,100	1893-94	• 134,066	4,974,133
1889-90	• 141,950	5,748,732	1894-95	• 158,854	5,672,024
1890-91	• 169,275	6,543,364	1895-96	• 184,362	6,730,836
1891-92	• 161,253	5,771,033	1896-97	• 195,996	7,173,108

The spinning industry was carried on in the early part of the year under very favourable conditions, and during the first six months the exports amounted to 115·3 million lbs., being about 60 per cent of the total exports of the year. With the outbreak of plague in Bombay a great change occurred in the mills located in and about the city, and production and trade fell off rapidly. Still, the trade had done so well in the first half of the year, that in the end the total exports exceeded those of 1895-96, which was a good year, by more than 6 per cent.

Similar remarks cannot be applied to *Cotton piece-goods*, the weaving industry having been depressed throughout the year and the production restricted. The exports of cotton piece-goods were on a limited scale, as will be seen from the figures appended :

Yards.			Yards.		
(ooo's omitted.)		Rx.	(ooo's omitted.)		Rx.
1887-88	. 69,435	1,063,099	1892-93	. 79,678	1,222,349
1888-89	. 70,244	1,083,222	1893-94	. 72,715	1,173,698
1889-90	. 59,462	911,179	1894-95	. 85,644	1,371,838
1890-91	. 67,639	1,040,414	1895-96	. 92,662	1,498,963
1891-92	. 73,351	1,132,182	1896-97	. 74,577	1,203,841

The facts regarding the production of the mills are stated in a note written by me based on the returns obtained under the Cotton Duties Act, which was recently published in the *Gazette of India*, and the substance of the note is embodied in the following paragraphs.

Production of yarn.

The production of yarn in the mills in each province for the last two years was :

		No. 20 and lower counts. lbs.	Counts above No. 20. lbs.	Total. lbs.
Madras	{ 1895-96 . 1896-97 .	27,641,085 26,180,993	1,223,040 3,138,333	28,864,125 29,319,326
Bombay	{ 1895-96 . 1896-97 .	283,030,275 252,751,538	40,160,181 45,402,451	323,190,456 298,153,989
Bengal	{ 1895-96 . 1896-97 .	37,710,056 40,752,782	682,500 1,354,211	38,392,556 42,106,993
North-Western Prov- inces and Oudh.	{ 1895-96 . 1896-97 .	18,694,922 20,377,683	280,942 815,340	18,975,864 21,193,023
Panjab	{ 1895-96 . 1896-97 .	4,108,751 5,083,191	245,078 231,643	4,353,829 5,314,834
Central Provinces	{ 1895-96 . 1896-97 .	16,442,084 14,802,956	1,553,217 2,808,855	17,995,301 17,611,811
Ajmere-Merwara	{ 1895-96 . 1896-97 .	1,236,516 1,183,389	172,809 172,071	1,409,415 1,355,460
Berar	{ 1895-96 . 1896-97 .	1,627,810 1,905,067	307,189 438,432	1,934,999 2,343,499
TOTAL	{ 1895-96 . 1896-97 .	390,491,499 303,037,599	44,625,046 54,361,336	435,116,545 417,398,935

In Bombay, the Central Provinces, and Ajmere, there was a decrease in production last year; in other provinces there was an increase. The general result for all India (excluding the mills in the Native States and in the French-Indian Possessions, for which there are no returns) is a reduction in the outturn of about 4 per cent.

The figures indicate the extent to which the spinning of yarn is confined to Bombay, the mills of that province producing about 71 per cent of the quantity produced in all India. Bengal produced a little over 10 per cent, Madras about 7 per cent, the North-Western Provinces 5 per cent, and the Central Provinces about 4 per cent. Elsewhere the production is as yet very limited.

The production of yarn in the Bombay mills has been as follows :

1895-96	323·2 million lbs.
1896-97—	
1st quarter	88·8 million lbs.
2nd „	87·8 „
3rd „	81·1 „
4th „	40·4 „
	298·1 „

These figures shew the effect on the industry of the plague which was epidemic in Bombay and in its vicinity from September 1896. Production declined appreciably in the third quarter, and in the fourth quarter the yarn spun was less than half the production in any of the previous three quarters. But, notwithstanding the interruption to work caused by the epidemic, the result at the end of the year was that the total outturn was not quite 8 per cent short of that of 1895-96. The first half of the year, in fact, was good for the mills, as it was for trade generally. In the second half, or rather the last quarter, many of the mills in the city of Bombay had to close their doors, while others had to work short time in consequence of the flight from the city of the mill operatives. The prevalence of famine too interfered with the sale of yarn in India.

Another noticeable fact brought out by the returns is that the production of yarn of counts higher than number 20 is as much as 54,361,336 lbs., being

about 13 per cent of the whole production, and that the quantity spun is much larger than in the preceding year. In Bengal, the North-Western Provinces, and the Panjab the mills spin hardly any yarn above number 20, yarn of that count and lower numbers representing from 96 to 97 per cent of the whole production. In Bombay, however, the spinning of the higher counts (above 20) is 15 per cent of the whole, in the Central Provinces it is 16 per cent, and in Berar nearly 19 per cent.

Production of woven goods.

The subjoined table presents the facts regarding the production of woven goods during 1896-97. No returns in respect of these goods were received until the last two months of 1895-96, and therefore the figures for 1896-97 must stand by themselves :

	Grey goods.	Other goods.	Total.
	lbs.	lbs.	lbs.
Madras	4,897,098	388,070	5,285,168
Bombay	61,647,781	6,375,980	68,023,761
Bengal	277,305	4,966	282,271
North-Western Provinces and Oudh .	2,466,166	...	2,466,166
Panjab	873,146	...	873,146
Central Provinces	3,990,849	1,071,029	5,061,878
Ajmere-Merwara	422,654	...	422,654
Berar	906,461	6	906,467
Total	75,481,460	7,840,051	83,321,511

Weaving is concentrated in the Bombay mills to an even greater degree than spinning, the mills of that province producing over 81 per cent of the whole quantity woven in the Indian mills. Madras and the Central Provinces produce each about 6 per cent of the whole. In the Bengal mills there is very little weaving done yet.

The effects of plague and famine on the weaving done in the Bombay mills are as conspicuous as they are in the case of spinning, though the decline in the production was not so large :

1st quarter of 1896-97 . . .	19.2 million lbs.
2nd " " " . . .	17.8 "
3rd " " " . . .	18.3 "
4th " " " . . .	12.6 "

The decline in the last quarter was about 31 per cent.

The goods woven are mainly grey (unbleached) goods. These represent over 90 per cent of the whole production in Bombay and also in India generally. In the Central Provinces only does any material proportion of the weaving consist of the finer goods—that is, goods other than grey goods : there it is about 21 per cent of the whole production.

In the last two years the production of yarn has amounted to 852,515,000 lbs. and the exports to 380,358,000 lbs. The yarn exported therefore in this period has been about $44\frac{1}{2}$ per cent of the whole production. I am indebted to Mr. N. N. Wadia for estimates made by him about the end of last year from which it may be inferred that of the yarn produced about 38 per cent is exported, 26 per cent used in power-looms, and 36 per cent used in hand-looms. He also estimates that the hand-looms use the whole of the yarn which is imported as well as the whole of the hand-spun yarn, but the latter is a comparatively small

quantity. His estimate is that, adding together the yarn imported and the yarn spun in India, 72 per cent of the whole is used on hand-loom in India.

It is not possible to say what is the ratio of exports to production in the case of woven goods, because in the statistics of trade the exports are stated in yards, while in the statistics of production obtained under the Cotton Duties Act the quantity is stated in pounds.

The distribution of the exports of yarns and piece-goods in the last three years has been as follows :

	Yarn, lbs. (ooo's omitted.)			Piece-goods, yards. (ooo's omitted.)		
	1894-95.	1895-96.	1896-97.	1894-95.	1895-96.	1896-97.
China	145,178	174,710	186,073	9,649	21,492	14,506
Straits	5,133	3,964	4,634	8,554	7,588	7,302
Japan	2,614	1,208	635	60	69	32
Aden	2,382	1,573	1,551	18,839	15,345	11,498
Asiatic Turkey . .	1,325	734	1,199	4,185	3,034	2,948
Java	118	247	286	...	57	73
Arabia	526	511	463	4,418	3,506	2,711
Persia	933	993	748	1,870	1,689	1,678
East Coast of Africa (mostly Mozambique and Zanzibar)	81	115	82	21,154	20,503	20,901
Abyssinia	20	...	...	6,487	6,337	4,645
Ceylon	86	46	89	6,625	6,823	5,523
Mekran and Sonmiani .	1	1	1	1,171	1,731	858
Other countries . .	457	260	235	2,632	4,488	1,902

The reduction in the export of yarns to Japan is very noticeable. That country now spins yarn for itself, taking the raw material from India for the purpose ; but we have not yet reached the time, the arrival of which has been so often predicted, when our trade with China will be affected by the extrusion of our yarn by the Japanese article. On the contrary, the export of Indian yarn to China has been rapidly increasing during the last three years during which the Japanese have been so largely increasing their mill spinnings. The export of piece-goods to China diminished last year, but only as compared with 1895-96 in which year the shipments to China seem to have been excessive, made for the purpose of disposing of stocks for which there was no ready sale in India or elsewhere. The exports of piece-goods to Eastern Africa do not seem to increase, and, with the increasing communication between the ports on that coast and Continental Europe, it is possible that, unless more vigorous efforts are made to secure this trade for the Bombay mills, it may slip away gradually into European hands by the substitution of both the coarser grey goods (woven in Europe from Indian cotton) and prints and coloured goods (which will take the place of grey goods) for the goods made in the Bombay mills. Those regions form such an important outlet for Indian cloth that very special efforts to keep and augment the trade would be well directed.

The following figures shew the proportion of the different kinds of piece-goods in the export trade (yards, ooo's omitted) :

	1893-94.	1894-95.	1895-96.	1896-97.
Grey (unbleached) . . .	57,761	68,385	75,264	59,628
White (bleached) . . .	142	297	146	225
Coloured, printed, or dyed .	14,812	16,962	17,252	14,724

The total value of the yarns exported amounted to Rx. 7,173,108, the exports from Bombay being represented by a value of Rx. 6,489,202, or over 90 per cent of the whole.

The value of the cotton goods exported amounted to Rx. 1,323,366, the proportion shipped from Bombay being in this case much smaller than in the case of yarns, amounting to Rx. 767,146, or 58 per cent. Madras does a considerable trade in these goods (especially in dyed goods), the value of the trade of that province being Rx. 528,285, or nearly 40 per cent of the whole.

The progress of the spinning and weaving industry in the last five years is shewn in the table appended :

	Number of mills.	Number of spindles.	Number of looms.
1892-93 .	130	3,378,303	26,317
1893-94 .	137	3,539,681	29,392
1894-95 .	143	3,711,669	34,161
1895-96 .	147	3,844,307	37,278
1896-97 .	154	3,975,459	37,299

The mills are thus located :

	Mills.	Spindles.	Looms.
Bombay Presidency . . .	105	2,781,610	28,821
Bengal (suburbs of Calcutta) .	9	347,842	200
Madras	11	272,928	1,707
North-Western Provinces .	6	210,374	1,848
Panjab (Delhi)	4	55,932	404
Central India (Indore) . .	1	26,036	464
Central Provinces	7	111,471	1,863
Ajmere-Merwara	1	12,312	250
Hyderabad	3	52,476	626
Berar	1	20,100	234
Mysore	2	30,734	238
Pondichery	3	28,644	644
Travancore	1	25,000	...

About 149,000 persons are stated to have been employed in the mills at the end of 1896-97, and the capital invested is returned at over Rx. 13,679,000; but this statement of capital is imperfect, the figures being confined to mills worked by joint-stock companies.

The Bombay Presidency contains 70 per cent of the spinning and 77 per cent of the weaving capacity of the Indian mills. Out of the 105 mills in that province 67 are located in the city and island of Bombay. These 105 mills employ an average of about 101,000 persons daily. The capital invested in such of them as are owned by joint-stock companies is Rx. 9,122,000.

The Bombay Millowners' Association write as follows in their annual report of the condition of the industry during the year :

Although the result of the past twelve months' working, especially of our spinning mills, has on the whole been very satisfactory—the published balance-sheets up to 31st December of all modern and well managed concerns shewing fair profits—the year will be a memorable one for the exceptional conditions the industry has had to encounter at its close. With an active demand for yarn from China, the unsettled feeling engendered during the period of legislation on the cotton duties rapidly disappeared, and although, owing to a considerable increase in the number of looms, and other causes, weaving

manufactories did badly,—a large number of them indeed having wholly or partially closed during the greater portion of the year,—the average condition of the industry was decidedly prosperous for the first nine months. With the sudden cessation of the rains, however, in August, fears of agricultural distress began to be manifested, and, almost before they had time to deepen into the certainty of famine, it became known that the bubonic plague had established itself and was rapidly spreading throughout the city. For the first few weeks the disease was mainly confined to the eastern parts of the town, but, as it spread westwards and northwards, it began to attack mill-hands, who had previously enjoyed a fair share of immunity, and, owing to the numerous deaths amongst them and an unfounded dread of being compulsorily sent to plague and segregation hospitals, numbers left Bombay for their native places. This exodus, moderate at first, soon attained the dimensions of a stampede, until in a few weeks it was estimated that, exclusive of engine-room and outside staffs, the number of operatives remaining was less than 20 per cent of the normal. * * * Several mills were compelled to close altogether, while others worked with as little as one-fourth of their machinery, and even then in some cases with a considerable proportion of unskilled hands, whose outturn, both as regards quantity and quality, was naturally very defective and unremunerative. For a period therefore the industry was, for all practical purposes, at a standstill."

This unfortunate state of affairs continued through the first quarter of the present official year until the epidemic gradually spent its force and abated.

Jute.—The value of the exports of manufactured jute has increased threefold in the last ten years :

	Rx.		Rx.
1887-88 .	1,746,360	1892-93 .	3,237,993
1888-89 .	2,571,478	1893-94 .	3,441,787
1889-90 .	2,791,242	1894-95 .	4,210,834
1890-91 .	2,481,961	1895-96 .	4,747,443
1891-92 .	2,513,100	1896-97 .	5,213,930

The number of gunny bags has not increased in the same proportion as the value, but there has been a remarkable extension of the exports of gunny cloth (ooo's omitted in both cases) :

	Bags. No.	Cloth. Yards.		Bags. No.	Cloth. Yards.
1887-88 .	74,368	13,683	1892-93 .	123,975	40,060
1888-89 .	99,791	15,161	1893-94 .	131,267	60,670
1889-90 .	97,416	37,144	1894-95 .	143,444	103,117
1890-91 .	98,749	29,854	1895-96 .	168,247	114,181
1891-92 .	106,251	37,289	1896-97 .	165,946	169,410

The value of the trade in gunny cloth has risen in five years from Rx. 378,574 to Rx. 1,630,357. In the same period the value of gunny bags exported has risen from Rx. 2,853,310 to Rx. 3,518,781. Thus, five years ago, the exports of cloth represented less than 12 per cent of the whole trade, while last year they represented as much as $31\frac{1}{2}$ per cent of the whole.

The destinations of the bags have been (number, ooo's omitted) :

	1895-96.	1896-97.
United Kingdom	23,888	27,885
United States	30,821	22,910
Australia	24,377	21,852
Straits	21,887	20,235
South America	14,634	15,051
China	14,379	9,028
Germany	4,786	8,468
Egypt	5,338	7,660
Cape Colony	7,335	5,954
Asiatic Turkey	4,886	4,765
Other countries	15,916	22,138

The United States contain the largest consuming market of gunny cloth, as will be seen from the figures of last year's exports :

	Million yards.
United States	111.6
South America	26.6
United Kingdom	23.8
China	3.8

It is probable that much of the shipments to China are really intended for San Francisco.

The high prices obtained for the exports do not mean that the mills profited over and above the preceding year to the extent of the difference, for they had to pay a greatly enhanced price for the raw material, and the internal outlet for their manufactures was—owing to the scarcity of food-grains—not as large as it would have been if normal conditions had prevailed. Nevertheless the process of adding to the number of looms and spindles continued :

	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
No. of mills	25	26	27	27	30
„ of looms	8,814	9,417	9,875	10,406	12,611
„ of spindles	177,718	189,080	197,533	212,581	254,596
„ of persons employ- ed—daily average	66,013	67,931	73,725	77,618	90,374
Nominal capital (figures incomplete) Rx.	3,409,950	3,444,930	3,656,225	4,000,875	4,266,225

Silk manufactures.—This small and unprogressive trade did not do well. A material proportion of the decline occurred in Bombay, the exports from Calcutta—where the bulk of the trade is carried on—not having greatly declined :

	Rx.
1892-93	197,178
1893-94	242,417
1894-95	167,198
1895-96	183,399
1896-97	159,841

Woollen manufactures.—This is also a small trade, but its value has steadily expanded year by year for the last six years. The goods exported are mostly carpets and rugs, for which there would seem to be an increasing demand in the United Kingdom and in the United States. The value of the exports has been :

	Carpets and rugs.	Other sorts.	Total.
1892-93	...	...	120,080
1893-94	...	...	146,662
1894-95	115,634	35,708	151,342
1895-96	154,153	28,732	182,885
1896-97	182,392	19,640	202,032

Apart from carpets and rugs the exports consist mainly of shawls. Of these the recorded value last year was only Rx. 15,476, but there is no doubt that at least as large a sum (perhaps larger) represented the value of shawls exported by post of which there is no record in the accounts of trade.

Tanned hides and skins.—The exports are :

	Cwt.	Rx.
1892-93 .	297,875	2,953,762
1893-94 .	266,465	3,233,877
1894-95 .	315,035	3,680,364
1895-96 .	367,721	4,011,185
1896-97 .	341,726	3,766,794

The trade of 1895-96 was extremely large, and the exports of last year were smaller, but were absolutely very large compared with preceding years.

Lac.—The quantity exported was larger even than that which was exported in the preceding year when the trade was larger than it had ever been. But prices fell heavily from the high level they had reached under the influence of the speculation which is so large a factor in the fluctuations of this trade :—

	Cwt.	Rx.
1892-93 .	125,613	780,163
1893-94 .	121,417	952,149
1894-95 .	159,238	1,394,908
1895-96 .	201,671	1,826,206
1896-97 .	203,757	1,383,245

Coir goods.—The high level attained in 1895-96 was not maintained, and there was a great reaction :

	Cwt.	Rx.
1892-93 .	258,011	232,279
1893-94 .	227,222	213,782
1894-95 .	237,827	222,461
1895-96 .	328,220	313,126
1896-97 .	253,681	240,031

Oilcake.—To this trade remarks may be applied similar to those which were made with reference to the export of manures. It would be well, and an indication of improved agricultural conditions, if the oilcake were kept in the country ; but if there is no use for it here it is well to obtain money value for an article for which there is a demand out of India. The trade, it will be observed, has expanded greatly during recent years :

	Cwt.	Rx.
1892-93 .	390,862	118,495
1893-94 .	469,866	140,378
1894-95 .	461,876	140,266
1895-96 .	557,734	175,055
1896-97 .	603,067	191,767

Of other manufactured articles the following may be mentioned, with their value last year :

	1895-96. Rx.	1896-97. Rx.
Apparel	171,617	154,648
Boots and shoes	36,666	36,142
Works of art	22,556	21,271
Books and printed matter	40,886	37,482
Cabinetware and furniture	48,094	43,884
Cordage and rope	43,444	53,059
Jewellery and jewels and plate	39,904	34,261
Paper	5,659	11,606
Toys and requisites for games	25,488	19,722
Wood	28,790	42,525
Articles exported by post	171,465	184,875

It may be noted that a material proportion of the boots and shoes which are exported is destined for the use of the Egyptian army who wear boots made at the Cawnpore Army Equipment Factory by Messrs. Cooper, Allen and Company.

General distribution of the export trade.—The total value of the exports of Indian produce and manufactures in the last two years was thus distributed among the principal countries with which the trade is carried on:

	1894-95.		1895-96.		1896-97.	
	Rx.	Per cent.	Rx.	Per cent.	Rx.	Per cent.
1. United Kingdom	32,795,328	= 31'6	35,000,899	= 31'9	31,646,304	= 31'7
2. China	12,548,725	12'1	13,778,103	12'6	13,681,925	13'7
3. Germany	7,718,877	7'4	8,054,374	7'3	7,535,579	7'5
4. France	8,660,680	8'3	8,664,871	7'9	6,355,496	6'4
5. Straits Settlements . . .	5,238,985	5	5,845,931	5'3	5,007,998	5
6. Egypt	4,627,748	4'5	5,175,741	4'7	4,853,561	4'8
7. United States	5,838,596	5'6	5,907,555	5'4	4,813,706	4'8
8. Japan	1,663,701	1'6	2,789,436	2'5	4,075,886	4'1
9. Ceylon	3,262,299	3'1	3,500,082	3'2	3,109,983	3'1
10. Belgium	3,786,302	3'6	3,941,490	3'6	3,052,888	3'1
11. Italy	2,980,601	2'9	3,122,050	2'8	3,027,963	3
12. Austria-Hungary	2,438,977	2'3	3,344,489	3'5	2,496,685	2'5
13. South America	1,621,060	1'6	1,182,021	1'8	1,436,142	1'4
14. Australia	1,325,522	1'3	1,213,368	1'1	1,178,876	1'2
15. Mauritius	1,243,143	1'2	1,092,737	1	1,125,926	1'1

With Europe our trade has been:

	1895-96.	1896-97.	Decrease %.
	Rx.	Rx.	
United Kingdom	35,001,000	31,646,000	9'6
Continent	28,667,000	23,589,000	17'7

CHAPTER III.

TRADE WITH COUNTRIES.

In the subjoined table are given the figures of our trade (merchandise only) with the several divisions of the world during the last five years:

	1892-93. Rx.	1893-94. Rx.	1894-95. Rx.	1895-96. Rx.	1896-97. Rx.
Europe	111,652,397	127,232,811	119,472,701	120,318,447	114,895,226
Africa and adjacent islands	9,582,659	9,087,008	10,623,435	10,937,210	10,806,980
Asia	38,947,566	36,003,039	38,419,942	42,390,526	40,541,661
America	7,301,177	6,724,435	8,892,135	8,481,110	7,942,827
Australia	1,357,228	1,267,254	1,574,224	1,452,242	1,642,300
TOTAL	169,141,027	180,404,547	178,982,437	183,579,535	175,828,994

The effects of famine and plague—the dominating note unhappily in almost every page of this paper—are apparent in these figures. With Australia alone was there a small increase in trade, the exports of tea, the principal article sent to that region, not having been affected by either of the two calamities which caused a shrinkage in the exports of food-grains and raw materials to other regions of the world.

The following table shews the value of the merchandise interchanged in the last five years with the principal countries with which we have commercial relations:

	1892-93. Rx.	1893-94. Rx.	1894-95. Rx.	1895-96. Rx.	1896-97. Rx.
1. United Kingdom	77,317,133	86,644,115	84,939,773	83,304,186	83,034,667
2. { China—Hongkong	11,501,325	9,087,975	9,882,270	9,967,564	9,799,221
„ Treaty Ports	5,894,671	5,583,903	5,476,135	6,787,583	6,168,451
3. Germany	7,979,400	9,362,511	9,455,115	10,412,539	9,854,652
4. France	10,142,280	11,832,573	9,542,135	9,657,413	7,288,228
5. Straits Settlements	7,120,759	7,366,762	7,732,042	8,285,028	7,171,912
6. United States	5,662,279	5,376,091	6,948,838	7,053,334	6,285,447
7. Belgium	6,074,482	7,780,248	5,661,907	6,682,877	5,463,286
8. Egypt	5,023,783	3,893,999	4,951,332	5,457,849	5,076,570
9. Japan	1,708,581	1,663,265	1,970,377	3,236,576	4,641,570
10. Austria-Hungary	3,643,285	4,320,831	3,637,481	4,675,377	3,991,251
11. Ceylon	3,949,746	3,916,664	3,901,982	4,214,228	3,927,403
12. Italy	4,023,693	4,022,991	3,338,342	3,561,214	3,534,577
13. Mauritius	2,605,578	3,117,690	3,363,449	2,956,125	3,035,673
14. Russia	2,171,767	1,923,341	1,487,831	2,269,474	2,445,822
15. Persia	2,586,879	2,571,325	3,174,753	2,587,236	2,021,994
16. Australia	1,357,228	1,267,254	1,574,224	1,452,242	1,642,300
17. Arabia	1,586,351	1,445,174	1,755,016	1,829,991	1,585,708
18. South America	1,377,820	1,192,796	1,626,464	1,185,381	1,437,100
19. Zanzibar, Mozambique, and other ports on the East Coast of Africa	1,269,202	1,188,118	1,320,791	1,360,673	1,374,737
20. Turkey in Asia	1,203,557	1,149,143	1,389,629	1,249,188	1,100,333
21. Aden	1,116,051	1,135,761	1,221,926	1,077,375	1,077,474
22. Holland	877,604	1,687,311	1,600,221	995,949	838,803

Our trade (merchandise and treasure) with gold standard and silver standard countries in the last five years was :

	Gold Standard.	Silver Standard.
	Rx.	Rx.
1892-93 . .	147,496,251 = 76 per cent.	45,583,580 = 24 per cent.
1893-94 . .	157,196,854 = 77 „	45,657,686 = 23 „
1894-95 . .	149,851,073 = 76 „	46,848,388 = 24 „
1895-96 . .	151,132,344 = 75 „	50,038,477 = 25 „
1896-97 . .	143,452,125 = 74 „	50,378,113 = 26 „

In these figures Russia has been classed as a country with a silver standard ; but Russia has in fact adopted the gold standard, and the correct classification for 1896-97 is therefore :

Gold standard . .	Rx. 145,902,471 = 75 per cent.
Silver standard . .	„ 47,927,767 = 25 „

For the future it will also be necessary to add Japan to the gold standard countries, and it may be noted that Ceylon has the same currency system as India. It may be said therefore that our trade with the countries which have a silver standard, pure and simple, is only just about 20 per cent of the whole, four-fifths of it being with countries which have the gold standard.

European Trade.

Our trade in merchandise with Europe was last year just under 65 per cent of our whole trade with the world, amounting to Rx. 114,895,225 out of an aggregate of Rx. 175,828,994. The proportion would be larger if we took into account the trade with Egypt, the greatest part of which is really trade with Europe, but here we are dealing with direct trade. The trade with the United Kingdom was last year about three-fourths of the trade with Europe. The bulk of the imports from Europe comes from the United Kingdom (86 per cent last year), but the exports from India are much more equally divided amongst other European countries :

		1894-95.	1895-96.	1896-97.
		Rx.	Rx.	Rx.
Imports	{ From United Kingdom . .	51,105,757	47,161,484	50,417,501
	{ From other European countries .	6,295,232	8,267,282	8,176,895
Exports	{ To United Kingdom . .	33,834,017	36,142,702	32,617,165
	{ To other European countries .	28,237,695	28,746,979	23,683,664

United Kingdom.

The import trade has been as follows :

	Rx.
1892-93 . . .	44,005,841
1893-94 . . .	52,001,013
1894-95 . . .	51,105,757
1895-96 . . .	47,161,484
1896-97 . . .	50,417,501

These figures indicate an increase of nearly 7 per cent, which followed a somewhat larger decline (nearly 8 per cent) in the preceding year. Both results were due to the trade in cotton goods which bulks so largely in our commercial relations with the United Kingdom, as will be seen from the figures appended :

	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
	Rx.	Rx.	Rx.	Rx.	Rx.
Value of cotton yarns	2,606,482	3,014,592	2,766,298	2,858,421	3,229,034
„ „ fabrics	22,364,694	28,541,981	29,267,888	22,342,372	25,814,582

Here we find an increase of Rx. 3,843,000 in these article, the total increase in all the trade being Rx. 3,256,000. The imports of cotton yarns and goods in 1895-96 was on a low scale, the markets having been left overstocked at the beginning of that year by speculative imports in the two preceding years far in excess of requirements. Stocks having been reduced during a year of small importations, imports were actively resumed with the added stimulus of a relatively high exchange value for the rupee in the early part of the year. In the latter part of the year, however, the trade fell off under the depressing influence of famine and pestilence, not, however, before the imports had largely exceeded those of the preceding year.

The other principal items in the list of imports from the United Kingdom are the following :

	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
	Rx.	Rx.	Rx.	Rx.	Rx.
Apparel	847,155	893,292	820,953	889,248	871,360
Coal	1,107,796	936,698	1,392,395	1,356,895	821,577
Chemicals, drugs, medicines and narcotics, and dyes	662,018	764,826	842,299	912,340	802,998
Hardware and cutlery	1,068,372	1,067,847	1,093,809	1,167,315	1,219,393
Liquors	1,148,508	1,129,906	1,071,003	1,231,871	1,174,017
Machinery	2,342,401	2,475,014	2,411,592	3,187,817	3,467,774
Copper	1,425,678	1,718,697	1,205,595	1,524,676	615,477
Iron and steel	1,983,718	1,961,925	1,811,239	2,444,794	2,428,780
Provisions and oilman's stores.	678,375	675,007	686,978	718,689	675,993
Railway plant and rolling stock	1,020,615	1,237,584	1,550,493	1,504,380	2,651,626
Salt	408,983	545,444	536,885	433,724	393,463
Silk manufactures	612,007	634,031	309,092	560,019	319,185
Woollen manufactures	1,031,249	1,326,576	938,099	939,644	1,138,550

The most noticeable fluctuations in these are the great decline in coal and copper, and the extremely large increase in railway material. The decline in coal is largely due to the absence of freight from India, which deterred shipowners from sending out vessels laden with coal to be filled up with profitable return cargo. Partly also the decline is due to the increasing use of Indian coal. The great increase in railway material is the outcome of the policy of active railway construction which has prevailed for the last three years. The importations of machinery have again largely increased, such articles being constantly required now in expanding quantity for new mills, factories, workshops, tea and other plantations, additions to mills, and for repairs and renewals of existing machinery of all sorts.

The export trade was in the last five years :

	Rx.
1892-93	33,311,297
1893-94	34,643,102
1894-95	33,834,016
1895-96	36,142,702
1896-97	32,617,165

The principal articles in the export trade, and their values in the last four years, are these :

	1892-93. Rx.	1893-94. Rx.	1894-95. Rx.	1895-96. Rx.	1896-97. Rx.
Coffee . . .	960,663	995,820	1,042,064	1,059,854	833,370
Cotton . . .	1,305,262	1,302,705	768,372	1,564,895	887,859
Indigo . . .	1,657,884	1,576,057	1,480,495	1,867,693	1,654,075
* Rice . . .	2,157,239	1,849,960	1,869,152	2,076,995	1,609,940
Wheat . . .	3,616,558	2,565,125	1,785,385	2,344,999	656,870
Hides and skins . .	2,610,632	3,142,917	3,037,385	3,444,619	3,344,332
Jute . . .	4,938,001	5,563,595	5,877,092	6,252,769	6,435,704
Jute manufactures .	555,854	598,427	801,019	733,998	880,725
Lac . . .	412,868	596,773	800,617	987,829	784,523
Linseed . . .	2,881,639	3,279,764	2,597,134	1,727,559	1,309,350
Sugar . . .	386,487	703,393	437,384	491,718	599,056
Tea . . .	5,992,543	6,114,421	6,971,046	6,938,179	7,483,365
Wool . . .	1,072,696	1,043,638	1,343,185	1,310,336	1,219,728

There was a decline of nearly 10 per cent in the trade, and its value was reduced to the lowest point reached for years. Some of the items increased more or less materially—notably jute and manufactures of jute, sugar, and tea—but the decline in rice, wheat, and linseed was very great, and some other articles also present a contraction.

Last year the interchange of merchandise with the United Kingdom represented 47·2 per cent of India's interchange of merchandise with the world. The ratio in preceding years was :

1890-91 . . .	50 per cent.
1891-92 . . .	47·4 „
1892-93 . . .	45·7 „
1893-94 . . .	48 „
1894-95 . . .	47·4 „
1895-96 . . .	45·4 „

Austria-Hungary.

	Imports. Rx.	Exports. Rx.
1892-93 . . .	1,031,939	2,611,346
1893-94 . . .	1,371,383	2,949,448
1894-95 . . .	1,194,115	2,443,366
1895-96 . . .	1,324,871	3,350,506
1896-97 . . .	1,487,788	3,503,463

The principal imports and exports are :

Imports.	1895-96. Rx.	1896-97. Rx.	Exports.	1895-96. Rx.	1896-97. Rx.
Apparel . . .	173,618	160,602	Coffee . . .	143,746	55,318
Cotton yarn . . .	61,475	52,939	Cotton . . .	1,952,470	1,369,696
„ manufactures .	142,647	200,286	Indigo . . .	480,966	338,926
Mineral dyes . . .	70,773	32,339	Hides and skins .	167,288	226,042
Glass and glassware .	138,456	166,797	Jute . . .	324,043	238,399
Hardware and cutlery .	93,980	99,207	Seeds . . .	140,906	150,149
Paper . . .	107,158	100,321			
Stationery . . .	25,905	24,411			
Silk goods . . .	58,437	75,916			
Sugar . . .	6,358	131,379			
Woollen goods . . .	173,500	197,291			

A noticeable item in the list of imports is sugar, in which there has been a remarkable increase in the year, due to speculation arising out of the action of the bounty system. Cotton piece-goods, silk goods, and woollen goods also were more largely imported.

There is no occasion for particular remark as regards the exports to Austria-Hungary or any European country. The causes of increase or decrease in that trade are in the main of general application and have been already stated.

Belgium.

		Imports. Rx.	Exports. Rx.
1892-93	. .	1,645,470	4,429,012
1893-94	. .	2,053,276	5,726,972
1894-95	. .	1,866,364	3,795,543
1895-96	. .	2,729,646	3,953,231
1896-97	. .	2,403,703	3,059,584

The principal articles in the import and export trade, and their value last year, are :

	1895-96.	1896-97.		1895-96.	1896-97.
<i>Imports.</i>	Rx.	Rx.	<i>Exports.</i>	Rx.	Rx.
Iron	756,507	715,373	Cotton	2,006,287	1,578,643
Steel	507,160	430,449	Seeds	1,179,966	1,058,944
Aniline and alizarine dyes . .	407,138	360,516	Wheat	311,732	23,522
Copper	244,317	120,070	Hemp	92,492	92,975
Glass—sheet and other wire . .	119,820	126,434	Hides and skins	83,707	42,148
Hardware and cutlery	42,886	48,250	Indigo	74,656	59,993
Candles	75,397	30,573	Gunnybags	31,654	75,834
Earthenware and porcelain . .	44,381	41,834			
Matches	50,615	23,189			
Paints and colours	31,973	37,444			
Paper	42,898	44,686			
Silk goods	42,112	49,792			

There was a decline in most imported articles, especially in copper, steel, and matches. In each of these articles, however, the trade of 1895-96 was extremely large and probably in excess of requirements.

France.

		Imports. Rx.	Exports. Rx.
1892-93	. .	1,040,291	9,101,989
1893-94	. .	1,138,262	10,694,311
1894-95	. .	860,430	8,681,704
1895-96	. .	978,970	8,678,443
1896-97	. .	920,096	6,368,132

The imports and exports are :

	1895-96.	1896-97.		1895-96.	1896-97.
<i>Imports.</i>	Rx.	Rx.	<i>Exports.</i>	Rx.	Rx.
Apparel, including millinery . .	242,890	199,424	Coffee	747,870	513,243
Clocks and watches	67,366	64,377	Cotton	1,292,808	974,494
Saffron	53,574	37,877	Indigo	652,912	338,438
Glass beads and false pearls . .	46,458	42,560	Wheat	225,989	100,797
Spirits, chiefly brandy	140,165	147,780	Hides and skins	332,612	228,842
Wines	72,293	66,031	Jute	473,864	595,040
Metals	43,138	37,016	Seeds	4,026,185	2,841,289
Silk goods	147,433	129,844	Silk, raw	373,434	299,737
Woollen goods	32,683	34,520			
Cotton goods	5,776	23,096			

The import trade fell away again last year, after having given some indication in 1895-96 of a recovery from the decline into which it was falling; perhaps, however, there may again be a revival during the present year. The total value of the imports has been increased by the addition of a certain quantity of oilseeds which, having been refused entry at Marseilles in the first panic following the announcement of plague in Bombay, was brought back to Bombay.

Germany.

	Imports.	Exports.
	Rx.	Rx.
1892-93 . . .	1,451,330	6,528,070
1893-94 . . .	1,714,003	7,648,508
1894-95 . . .	1,731,453	7,723,662
1895-96 . . .	2,351,776	8,060,763
1896-97 . . .	2,307,821	7,546,830

The principal articles in the trade, and their value last year, are stated below:

	1895-96.	1896-97.		1895-96.	1896-97.
<i>Imports.</i>	Rx.	Rx.	<i>Exports.</i>	Rx.	Rx.
Sugar	875,022	875,739	Coffee	46,838	43,609
Woollen goods	260,403	259,457	Coir and coir goods	65,539	56,822
Hardware and cutlery	148,740	153,197	Cotton	2,691,400	2,185,077
Salt	109,143	80,704	Indigo	530,470	319,076
Apparel	65,074	79,951	Rice	282,059	158,213
Glass and glassware	93,452	91,772	Wheat	159,593	...
Iron	37,367	47,772	Hides and skins	986,708	1,115,927
Steel	31,479	16,503	Jute	1,504,591	1,801,997
Cotton yarns and manufactures	51,453	58,779	Gunny bags and cloth	132,629	153,675
Aniline and alizarine dyes	56,380	40,494	Lac	211,261	161,010
Chemicals, drugs, narcotics	46,770	39,876	Seeds	1,056,253	1,196,428
Beer	65,797	74,441			
Spirits	46,007	47,686			
Paper	58,814	59,600			
Stationery	13,380	13,359			
Silk goods	43,518	29,773			
Toys	30,039	37,281			
Matches	23,033	33,728			

There was but a small decline in the import trade, due chiefly to a restriction in the importation of salt, mineral dyes, and steel.

In exports the trade in wheat disappeared completely; and the trade in seeds (linseed) increased, Germany and Holland being the only countries which took an increased quantity of that oilseed from India in the year.

Italy.

	Imports.	Exports.
	Rx.	Rx.
1892-93 . . .	356,306	3,667,387
1893-94 . . .	448,571	3,574,420
1894-95 . . .	342,039	2,996,303
1895-96 . . .	420,814	3,140,400
1896-97 . . .	464,717	3,069,860

The principal imports and exports are :

<i>Imports.</i>		1895-96.	1896-97.	<i>Exports.</i>		1895-96.	1896-97.
Corals		79,215	64,771	Cotton.		1,717,754	1,626,548
Cotton goods		10,719	46,136	Indigo		123,955	104,836
Mineral dyes		53,009	52,079	Hides and skins		301,528	281,665
Glass beads and false pearls		52,640	36,949	Jute		303,971	343,754
Silk goods		102,226	134,247	Seeds		492,150	570,715

There has been a further heavy fall in the price of corals, and the trade is in bad straits. In Italian silks and cottons there was a marked improvement. In exports there was a larger business in jute and in seeds (sesamum).

Russia.

As remarked in former issues of this review, it is convenient, although this section treats of European trade, to class European and Asiatic Russia together, for our trade consists of the import of petroleum from Batum on the Asiatic side of the Black Sea and of the export of cotton, indigo, and seeds to Odessa on the European side of the Black Sea, and of tea (foreign and Indian) to Batum :

<i>Imports.</i>		<i>Exports.</i>	
<i>(From Asiatic Russia.)</i>	<i>(From European Russia.)</i>	<i>(To Asiatic Russia.)</i>	<i>(To European Russia.)</i>
Rx.	Rx.	Rx.	Rx.
1892-93	1,488,623	...	125
1893-94	1,262,495	519	...
1894-95	1,007,380	265	30,162
1895-96	1,835,649	31,909	212,133
1896-97	1,858,955	160,639	217,458

The imports from European Russia have increased remarkably, mineral oil in bulk being the principal article imported.

In the export trade to European Russia there was a decline in indigo and an increase in oilseeds, and the trade in cotton seem to be approaching extinction.

The importation of mineral oil from Asiatic Russia greatly expanded as did the export to that country of foreign tea, over two million pounds having been exported last year. The export of Indian tea, however, was smaller than in 1895-96, only amounting to 422,000 lbs.

African Countries.

Cape Colony and Natal.

The imports from both these colonies are trifling. The export trade has been as follows :

	To Cape.	To Natal.
	Rx.	Rx.
1892-93	228,848	197,273
1893-94	239,299	174,362
1894-95	225,210	220,831
1895-96	348,406	273,914
1896-97	343,272	438,252

There was a very large increase in the exports of pulse (*dál*), rice and other grains, flour, ghi, and clothing, for the Indian population in Natal.

Egypt.

<i>Imports.</i>		<i>Exports.</i>
Rx.		Rx.
1892-93	158,994	4,869,794
1893-94	171,372	3,722,627
1894-95	282,291	4,669,041
1895-96	250,792	5,207,057
1896-97	199,723	4,876,847

There are only three articles imported from Egypt in any quantity : cotton, cigarettes, and salt. The imports of cotton were on a small scale during the year the result doubtless of the exceptional conditions which prevailed in the Bombay mills during the last four or five months of the year, for the imports practically ceased after September. The imports of salt are increasing, and the 33,002 tons received seem to indicate the beginning of an effective competition with the salt made at Aden. The trade in cigarettes is also expanding, 25,000 lbs. of them having been received in the year.

Some people think that the *fez* or *tarbush*, which for some years past has been in increasing use as a head covering by the Indian Musulmán of the towns especially in Bombay, is of Egyptian manufacture. This is not the case : the article is not made in Egypt. Whether worn in Turkey, in Egypt, or in India, it is made at Marseilles or at Trieste, and it is imported into India from one or other of those places, but frequently indirectly by way of Port Said or Alexandria.

The principal articles exported to Egypt are rice and wheat, neither grain being intended for Egyptian consumption. The quantity of rice was materially reduced, and there were in fact no shipments of wheat, the whole trade having fallen to about 33 tons, the shipments of the preceding year having approached 76,000 tons. To these articles must be added gunny bags and indigo, and last year there was a great increase in the exports of jute ; but, as in the case of rice and wheat, the jute was not intended for use in Egypt. It is probable that not much more than a tenth of our exports to Egypt is intended for consumption in that country.

Mauritius.

	Imports.	Exports.
	Rx.	Rx.
1892-93 . .	1,462,771	1,142,806
1893-94 . .	1,787,030	1,330,660
1894-95 . .	1,961,603	1,401,846
1895-96 . .	1,721,338	1,234,786
1896-97 . .	1,807,631	1,228,042

The importations of sugar from Mauritius have been higher since the importation of the import duty in 1894 than they ever were before, though it would be as wrong to say that the duty has encouraged the trade as it was to prophesy that the duty would destroy it. The imports in the last five years have been :

	Cwt.
1892-93 . .	1,078,558
1893-94 . .	1,361,649
1894-95 . .	1,753,003
1895-96 . .	1,571,993
1896-97 . .	1,666,845

The principal export is rice, and here there was a large reduction in quantity, though the value was greater in consequence of the increased price.

Zanzibar.

	Imports.	Exports.
	Rx.	Rx.
1892-93 . .	228,306	642,849
1893-94 . .	283,885	606,752
1894-95 . .	260,783	736,039
1895-96 . .	255,282	718,104
1896-97 . .	205,055	749,456

As stated in the review of the trade for 1895-96, the two articles—ivory and cloves—which form the staple of the import trade are subject to great fluctuations. In 1894-95 there was an increase in ivory and a decline in cloves; in 1895-96 the position was reversed, ivory declining and cloves increasing; and last year there was another reversal, ivory increasing and cloves declining.

Exports, which consist chiefly of Manchester and Bombay cottons increased materially.

The grain trade, mainly rice, declined, and indeed the current turned and some supplies of grain were brought to India from Zanzibar.

Mozambique.

There is a small import of ivory from this Portuguese colony. Exports consist, as in the case of Zanzibar, chiefly of Manchester and Bombay cottons, with rice and other grain. The value of the trade is comparatively small, and it has not the appearance of development: Portuguese methods are not conducive to the expansion of trade.

Countries in America.

United States.

	Imports. Rx.	Exports. Rx.
1892-93 . . .	1,134,438	4,527,841
1893-94 . . .	2,016,270	3,359,821
1894-95 . . .	1,106,441	5,842,397
1895-96 . . .	1,139,438	5,913,896
1896-97 . . .	1,466,949	4,818,498

In the principal import from the United States—kerosene oil—there was a very material decline; but an exceptional import increases the aggregate in the shape of food-grain, chiefly wheat, of which the quantity brought to India was 558,000 cwt., value Rx. 314,528. It may be noted that further imports of food-stuffs from the United States in relief of famine have reached India during the present year.

In the export trade there was a more or less marked decline in most of the principal heads, especially in linseed, that trade having practically ceased. Indigo, cutch, hides and skins, gunny bags, shell-lac, cocoanut oil, were all exported on a scale much smaller than in 1895-96; but the exports of tea expanded, and in gunny cloth there was a very large increase. This article has increased without interruption in five years from 32 $\frac{3}{4}$ million yards to 111.6 million yards.

<i>Imports.</i>	1895-96- Rx.	1896-97. Rx.
Mineral oil, chiefly kerosene . . .	963,371	907,391
Cotton piece-goods (grey) . . .	54,840	93,258
Tobacco	43,662	44,869
Grain and pulse	...	314,528
<i>Exports.</i>	Rx.	Rx.
Hides and skins	2,052,683	1,524,820
Jute	863,442	659,086
„ manufactures	1,181,288	1,336,358
Indigo	613,884	571,827
Lac (button and shell)	453,744	293,531
Seeds	162,145	3,298
Saltpetre	160,423	155,294
Cutch	35,295	14,129
Cocoanut-oil	190,613	84,818
Mica	51,109	19,950
Tea	34,585	44,385

South America.

With the countries of South America our trade consisted until last year almost exclusively of the export of rice and gunny bags, the countries being Brazil, Chilé, and British Guiana. To these Peru and Ecuador have to be added, and there was also a large export of gunny cloth last year to the Argentine Republic.

		1895-96.		1896-97.	
		Rx.		Rx.	
To Brazil, rice	cwt.	1,636,804	676,277	cwt.	1,661,884
To Chilé, rice	cwt.	54,836	24,172	cwt.	1,661,884
" gunny bags	No.	12,322,300	236,236	No.	14,012,500
To British Guiana, rice . .	cwt.	141,297	59,669	cwt.	161,059
" gunny bags	No.	553,400	14,825	No.	491,150
" linseed	cwt.	51,326	38,982	cwt.	31,834
To other countries, rice . .	cwt.	109,829	40,930	cwt.	90,625
" gunny bags	No.	1,758,500	31,963	No.	547,200

Countries in Asia.

		<i>Aden.</i>		<i>Arabia.</i>	
		Imports.	Exports.	Imports.	Exports.
		Rx.	Rx.	Rx.	Rx.
1892-93 .	141,934	974,117	436,812	1,149,539	
1893-94 .	183,336	952,425	355,998	1,089,176	
1894-95 .	166,221	1,055,705	530,663	1,224,353	
1895-96 .	125,999	951,376	564,480	1,265,511	
1896-97 .	136,825	940,648	494,690	1,091,018	



In salt, the principal import from Aden, there was a marked recovery from the depression of 1895-96. The value of exports was maintained by the higher price of rice, for the trade in that grain declined; so did the trade in Manchester and Bombay cotton cloth.

The value of pearls, the chief import from Arabia, declined though still remaining on a high level, as did also the value of dates, the only other importation of consequence. Exports of cotton goods (foreign and Indian) were also smaller, and the trade in grain (chiefly rice) was reduced, as in the case of most of the countries to which Indian rice is exported.

Ceylon.

		Imports.	Exports.
		Rx.	Rx.
1892-93 .	664,757	3,284,989	
1893-94 .	606,625	3,220,039	
1894-95 .	451,821	3,450,161	
1895-96 .	541,770	3,672,458	
1896-97 .	682,643	3,244,759	

The principal imports and exports are:

<i>Imports.</i>		1895-96.	1896-97.	<i>Exports.</i>		1895-96.	1896-97.
Cocoanuts and kernel . .		14,825	25,276	Animals		70,147	85,234
Gunny bags		35,605	39,467	Coal		51,778	96,952
Spirit (arrack)		15,869	13,067	Cotton goods		235,465	189,425
Cocoanut oil		61,373	226,910	Indigo		22,445	34,490
Spices (betelnuts and cardamoms mainly) . .		148,224	157,998	Grain and pulse (chiefly rice)		2,363,707	1,946,242
Tea		51,011	38,186	Oilcake		76,572	74,550
				Provisions		222,689	195,226
				Seeds		68,014	78,387
				Spices (chiefly chillies) . .		48,963	41,240
				Sugar		39,258	33,420
				Teak timber		38,558	50,805

In imports from Ceylon cocoanut oil fills a large place: this trade has completely recovered from the sudden (and as yet unaccountable) decline of the two preceding years. The gunny bags are of Indian manufacture, some of them "returned empties," others sent to Colombo for easy distribution to the southern Madras ports. Tea is not as yet a very large importation, though any import of tea from Ceylon ought to be unnecessary in India. The trade has been:

	lbs.	Rx.
1892-93 .	633,596	29,518
1893-94 .	980,507	51,374
1894-95 .	901,971	46,137
1895-96 .	997,925	51,011
1896-97 .	748,127	38,186

The trade is carried on with Bombay, and the epidemic there interfered with it last year. Probably in the present year there will again be about a million pounds imported.

The export trade is very largely of a coasting character, consisting of rice, provisions, and other things required for the Madras coolies who work on the plantations. Coal is one of the few exceptions: it is sent to Colombo for the supply of steamers. This trade has increased from 1,000 tons six years ago to 93,000 tons last year:

China.

The value of the import and export trade is the last five years is (Rx.):

	<i>Imports.</i>	<i>Exports (Indian).</i>
1892-93 . .	2,842,530	14,402,271
1893-94 . .	3,542,556	10,989,240
1894-95 . .	2,662,958	12,548,725
1895-96 . .	2,805,858	13,778,103
1896-97 . .	2,149,089	13,681,925

The principal articles imported and exported in the same period have been:

<i>Imports.</i>	Silk, raw. Rx.	Silk goods. Rx.	Tea. Rx.	Copper. Rx.	Sugar. Rx.	Drugs. Rx.
1892-93 . .	725,025	629,612	384,323	129,062	475,522	106,765
1893-94 . .	1,072,016	638,676	472,552	322,381	513,329	112,710
1894-95 . .	899,065	547,816	328,259	136,761	295,119	113,506
1895-96 . .	938,334	626,483	410,564	129,078	266,190	104,134
1896-97 . .	662,640	420,107	436,943	103,360	179,151	91,596
<i>Exports.</i>	Cotton, raw. Rx.	Cotton yarn. Rx.	Opium. Rx.			
1892-93	126,880	6,290,561	7,317,578			
1893-94	9,713	4,449,905	5,977,195			
1894-95	68,113	5,139,464	6,819,076			
1895-96	149,692	6,336,062	6,353,818			
1896-97	393,842	6,762,472	5,880,045			

There has been some increase in the imports of Chinese tea, but in none of the other articles is there any indication of expansion, and the aggregate trade has fallen away sensibly.

In the list of exports only the three abovementioned are important, and of these three raw cotton is of little importance at present, though if the Chinese should really start a thriving industry in the mill-spinning of yarn, it is likely that, as in the case of Japan, the Chinese millowners will look to India for

some considerable proportion of their supply of raw material. Such a development, however, must be regarded as in the distant future, for Chinese are in question, and with them there has always been much more talk than action. Of the other two articles, it will be noticed that the value of the trade in cotton yarn, which did not exist when the opium trade was large and flourishing, now largely exceeds the opium trade in value. Whether the opium trade is looked at from the commercial or the revenue point of view, it is certain that it has lapsed from the predominant place it once occupied—not so very long ago—into a secondary position.

		<i>Japan.</i>	
		Imports. Rx.	Exports. Rx.
1891-92	.	65,746	1,295,204
1892-93	.	91,210	1,617,371
1893-94	.	252,096	1,411,169
1894-95	.	288,898	1,681,480
1895-96	.	417,193	2,819,383
1896-97	.	547,356	4,094,214

No greater contrast than that between the condition of our trade with China and with Japan could be furnished. The development in the case of Japan has indeed been astonishing. The principal articles in the import trade are :

	1894-95. Rx.	1895-96. Rx.	1896-97. Rx.
Matches	107,851	106,231	77,527
Copper	55,134	76,734	80,254
Silk goods	15,661	65,794	159,449
Apparel (mainly of silk)	29,305	50,327	58,650
Coal	12,210	16,157	83,651
Umbrellas	10,668	15,661	21,903
Camphor	8,692	12,554	15,935
Silk, raw	13,498	12,540	4,953

The trade in silk goods has been actively pushed in Bombay and in Burma, and the Japanese umbrellas, which have spread over the far East, have also obtained a place in the Indian market. The imports of coal have also greatly augmented.

The principal export is raw cotton. At one time, seven or eight years ago, cotton yarn was the chief export, but this is passing out of sight. To shew how the demand for the raw material has increased, while the demand for spun yarn has fallen away, the figures printed in the review of the trade of 1895-96 are reproduced here :

Raw cotton.			Cotton yarn.	
	Cwt.	Rx.	lbs.	Rx.
1889-90 .	60,837	186,431	22,686,714	979,014
1890-91 .	77,757	216,806	11,876,422	488,592
1891-92 .	400,952	997,082	6,682,050	254,262
1892-93 .	443,988	1,256,755	7,351,801	277,774
1893-94 .	368,351	1,093,885	5,768,772	221,958
1894-95 .	465,148	1,277,769	2,613,600	100,866
1895-96 .	855,853	2,442,435	1,208,400	46,002
1896-97 .	1,498,600	3,760,332	634,800	24,938

As has been stated elsewhere in this paper, Japan now consumes more Indian cotton than any other country.

The other articles exported to Japan are :

	1894-95.	1895-96.	1896-97.
	Rx.	Rx.	Rx.
Indigo	59,203	71,704	227,565
Hides and skins	6,134	43,316	22,745
Jute	32,710	17,292	5,569
„ manufactures (bags, cloth, yarn, twine)	61,145	86,677	13,062
Wool	13,420	21,231	6,620

A trade in rice existed for two years, but such a trade cannot continue except when the Japanese cannot produce enough rice for their own consumption, or when Indian prices are much lower than a famine level.

Persia.

	Imports.	Exports.
	Rx.	Rx.
1892-93	687,092	1,899,787
1893-94	734,205	1,837,120
1894-95	794,677	2,380,076
1895-96	872,798	1,714,438
1896-97	685,983	1,336,010

The value of the principal articles in the last three years has been :

Imports.	1894-95.	1895-96.	1896-97.	Exports.	1894-95.	1895-96.	1896-97.
	Rx.	Rx.	Rx.		Rx.	Rx.	Rx.
Cotton	27,037	20,816	16,220	Coffee (Foreign)	23,853	6,064	7,696
Asafœtida	35,136	32,945	24,766	„ (Indian)	34,819	26,624	13,922
Skins, raw	40,674	35,579	34,998	Cotton twist and yarn—			
Precious stones and pearls	256,320	288,235	241,290	(Foreign)	83,934	39,830	55,491
Dates and other fruits	170,463	188,993	144,487	(Indian)	42,860	41,633	30,455
Seeds	33,909	30,520	21,561	Cotton manufactures—			
Wool	103,882	129,005	104,299	(Foreign)	874,571	626,821	448,691
				(Indian)	44,749	42,328	41,309
				Indigo	195,253	90,685	67,302
				Metals	44,940	57,921	34,066
				Rice	91,720	71,670	62,462
				Sugar	126,508	90,475	92,681
				Tea (Foreign)	399,432	185,815	192,831
				„ (Indian)	205,971	224,001	131,854

The serious decline in the trade is such as might have been expected, having regard to the fact that the largest part of the trade of Persia is conducted with Western India. It is unfortunate that the trade in Indian tea should have received such a check while foreign tea was sent to Persia in larger quantity. The figures of the trade in both are appended :

	Foreign Tea.	Indian Tea.
	lbs.	lbs.
1889-90	1,673,175	1,118,126
1890-91	2,973,817	1,221,478
1891-92	3,115,691	2,789,175
1892-93	3,240,763	1,406,625
1893-94	3,306,020	2,497,525
1894-95	3,961,397	3,172,806
1895-96	2,252,814	3,188,099
1896-97	2,387,319	1,993,823

Straits Settlements.

		Imports. Rx.	Exports. Rx.
1892-93	. .	2,371,609	4,749,150
1893-94	. .	2,524,623	4,842,139
1894-95	. .	2,103,158	5,628,884
1895-96	. .	2,075,220	6,209,808
1896-97	. .	2,842,122	5,329,790

To some considerable extent the imports from the Straits originate in China, Japan, the Philippines, Java, and other places to the east of Singapore, which is a depôt for the reception and transmission of such goods as well as of goods from Europe:

<i>Imports.</i>	1895-96. Rx.	1896-97. Rx.	<i>Exports.</i>	1895-96. Rx.	1896-97. Rx.
Coffee . . .	52,288	46,609	Cotton, raw .	18,663	104,173
Cotton goods . . .	31,448	40,526	„ yarn .	170,361	199,451
Camphor . . .	39,577	49,721	„ goods .	213,707	206,935
Gambier . . .	45,342	43,599	Opium . . .	1,729,328	1,642,646
Cocoanuts and kernel	42,287	58,330	Rice . . .	2,287,534	1,490,290
Gum benjamin . . .	36,440	32,752	Hides and skins	129,193	115,756
Matches . . .	53,532	53,309	Gunny bags .	427,556	392,101
Tin . . .	323,250	214,589	Provisions .	101,469	118,677
Provisions (largely dried and salted fish)	284,074	280,717	Rice-bran .	126,836	111,374
Silk, raw . . .	239,538	181,620			
Spices (largely betel- nuts) . . .	361,471	359,828			
Sugar . . .	125,578	76,956			

Turkey.

		Imports. Rx.	Exports. Rx.
1892-93	. .	477,174	726,383
1893-94	. .	447,332	701,811
1894-95	. .	405,619	984,010
1895-96	. .	502,249	746,939
1896-97	. .	391,603	708,730

This trade, like that of Persia, is mainly carried on with Bombay, and the restriction was to a large extent due to the local conditions of that city. The trade in horses and dates, which are the principal imports, declined materially owing to this cause and to a scanty date harvest; and on the other hand there was an unusual importation of food-grains.

In the export trade the principal decline was in Manchester cottons.

Australia.

		Imports. Rx.	Exports. Rx.
1891-92	. .	287,314	974,098
1892-93	. .	239,450	1,117,778
1893-94	. .	242,665	1,024,588
1894-95	. .	243,649	1,330,575
1895-96	. .	233,543	1,218,699
1896-97	. .	452,676	1,189,624

The principal articles imported are :

	1895-96. Rs.	1896-97. Rs.
Horses	135,642	264,940
Coal	26,143	66,162
Copper	29,148	72,125
Provisions	11,757	10,309

The principal exports are also few in number :

Grain and pulse (chiefly rice)	20,925	30,347
Jute goods (gunny bags and cloth)	700,370	657,125
Castor oil	59,232	54,994
Linseed oil	23,984	29,007
Tea	296,191	252,238

There seem to be indications that the export trade will expand, for coffee is being sent to Australia in increasing quantity, also cotton and myrabolams, and the trade in these, and in linseed oil, is of recent creation ; but it is all trifling as yet.

. An increasing entry of " other animals " in the returns of exported merchandise attracts attention. These are camels which have for some years been used in South Australia for employment in the Northern Territory, and are now being used in considerable numbers in Western Australia since the discoveries of gold. Their drivers go with the camels.

CHAPTER IV.

Provincial Trade.

The figures of the trade of each province with foreign countries stand thus (in Rx.) :

	<i>Imported Merchandise.</i>			<i>Exported Merchandise.</i>		
	1894-95.	1895-96.	1896-97.	1894-95.	1895-96.	1896-97.
Bengal .	26,647,183	27,191,817	30,280,234	46,011,742	46,588,587	45,560,345
Bombay .	28,821,849	27,906,694	26,873,092	34,371,990	37,933,075	33,162,319
Madras .	6,720,013	5,693,863	5,823,744	12,481,466	12,812,353	11,831,787
Burma .	3,469,351	4,714,506	4,547,351	9,817,584	10,568,130	9,377,227
Sind . .	4,509,042	3,809,515	4,390,276	6,132,217	6,360,995	3,982,619

Taking imports and exports of merchandise together, the share of each province in the whole foreign trade of India stood as follows during the last two years :

	1894-95. Per cent.	1895-96. Per cent.	1896-97. Per cent.
Bengal . . .	40·59	40·19	43·13
Bombay . . .	35·31	35·87	34·15
Madras . . .	10·73	10·08	10·04
Burma . . .	7·42	8·32	7·92
Sind . . .	5·95	5·54	4·76

The effects of both famine and plague are strikingly manifest, in Bombay, where imports and exports alike contracted, and also in Sind where exports declined very largely owing to the collapse of the trade in wheat and seeds which constitutes the bulk of the trade of Karachi. In Burma there was a small decline in imported goods, but the year with which it is compared was one of very large trade, and the larger decline in exports merely signifies a diversion to India of the rice which in an ordinary season would have been exported to foreign countries. In Madras and in Bengal there was also a decline in exports, mainly due to the absence of supplies of food-grains, but an increase in imported goods, the first half of the year having been a time of active trade.

The following table shews the nature of the import trade and of the export trade (Indian produce) of each province :

	Bengal.	Bombay.	Madras.	Sind.	Burma.
IMPORTS.	Rx.	Rx.	Rx.	Rx.	Rx.
Cotton—					
Twist and yarn { 1895-96	862,886	680,169	708,299	156,370	473,366
{ 1896-97	911,799	641,869	1,137,838	224,549	409,816
Manufactures { 1895-96	12,630,006	6,208,001	1,478,713	1,335,866	1,042,195
{ 1896-97	14,459,267	7,262,283	1,642,295	2,021,382	1,039,077
Liquors . . . { 1895-96	538,236	503,504	216,850	178,282	258,956
{ 1896-97	528,632	492,703	230,583	148,547	244,419
Metals . . . { 1895-96	2,745,761	2,804,920	564,472	372,862	285,457
{ 1896-97	2,701,168	1,712,350	539,866	221,357	288,031
Sugar . . . { 1895-96	631,464	1,844,500	5,671	538,338	86,840
{ 1896-97	616,924	1,706,579	4,182	651,159	112,985
Woollen manu- { 1895-96	563,857	696,534	34,235	39,796	111,095
factures { 1896-97	707,558	709,681	43,523	64,093	167,680
Kerosene oil . { 1895-96	1,811,624	674,146	118,632	85,270	90,071
{ 1896-97	1,462,182	904,500	144,506	129,175	158,993

	Bengal.	Bombay.	Madras.	Sind.	Burma.
EXPORTS OF INDIAN PRODUCE.	Rx.	Rx.	Rx.	Rx.	Rx.
Coffee . { 1895-96	321	75,081	2,122,769	9	42
{ 1896-97	773	42,414	1,541,826	22	4
Cotton—					
Raw . { 1895-96	970,393	10,478,213	1,506,838	1,114,956	19,793
{ 1896-97	822,052	9,530,564	1,363,978	1,142,727	105,768
Twist and yarn { 1895-96	257,020	6,206,060	176,218	246	1,292
{ 1896-97	538,490	6,489,202	144,100	321	995
Manufactures { 1895-96	21,105	989,767	581,689	20,665	524
{ 1896-97	15,326	767,146	528,285	12,073	536
Hides and skins—					
Raw . { 1895-96	3,119,790	8,551	6,611	322,694	170,647
{ 1896-97	2,850,944	24,734	3,546	158,874	196,478
Dressed . { 1895-96	7,738	686,268	3,315,081	2,038	60
{ 1896-97	5,082	697,900	3,058,698	5,114	...
Indigo . { 1895-96	3,723,847	159,737	1,402,126	68,801	...
{ 1896-97	3,114,206	174,715	993,125	88,711	...
Jute—					
Raw . { 1895-96	9,990,325	9	2,527	...	...
{ 1896-97	10,547,897	17	2,648	15	...
Manufactures { 1895-96	4,665,654	78,344	304	3,065	76
{ 1896-97	5,152,898	58,457	259	2,236	80
Opium . { 1895-96	5,046,393	3,412,935	...	8	...
{ 1896-97	4,968,724	3,054,199	...	...	...
Rice, husked . { 1895-96	3,724,181	462,774	473,106	30,750	8,739,892
{ 1896-97	2,796,538	476,791	1,091,959	18,728	7,466,245
Seeds . { 1895-96	2,373,106	6,001,939	469,901	870,345	2,140
{ 1896-97	2,265,459	4,464,271	519,496	759,330	3,124
Tea . . { 1895-96	7,162,654	272,528	191,784	36,634	1,289
{ 1896-97	7,730,647	158,297	209,098	25,371	1,135
Teakwood . { 1895-96	6,067	11,362	6,567	153	646,825
{ 1896-97	4,099	18,610	3,434	129	660,211
Wheat . { 1895-96	371,449	1,155,949	85	2,386,363	50
{ 1896-97	31,383	512,761	149	291,996	106
Wool—					
Raw . { 1895-96	105,357	799,361	7,584	442,806	...
{ 1896-97	89,696	674,373	6,630	470,798	...
Manufactures { 1895-96	90,803	66,500	20,059	5,521	2
{ 1896-97	107,594	67,047	21,511	5,859	20

The bulk of the trade (including treasure) and navigation of India with foreign countries is confined to the five ports noted below. The figures are the proportions per cent :

	Trade.			Shipping.		
	1894-95.	1895-96.	1896-97.	1894-95.	1895-96.	1896-97.
Bombay .	39'79	40'2	38'66	30'97	31'11	30'67
Calcutta .	37'24	36'72	39'66	24'94	22'39	22'63
Rangoon .	5'32	6'17	5'88	10'79	12'44	11'26
Madras .	5'63	5'57	5'4	8'6	8'77	8'96
Karachi .	5'6	5'17	4'52	7'11	7'7	6'86
TOTAL .	93'58	93'83	94'12	82'41	82'41	80'38

The following figures shew the actual extent of the foreign trade of the largest ports of India in merchandise only, imports and exports (including re-exports), during the last three years (in Rx.):

	1894-95.	1895-96.	1896-97.
Calcutta .	71,319,266	72,316,661	74,760,757
Bombay .	63,158,708	65,799,726	60,017,367
Rangoon .	10,430,908	12,303,406	11,259,087
Madras .	10,985,753	10,735,151	10,261,385
Karachi .	10,641,250	10,170,371	8,372,182

The conditions of the year reduced the trade of Bombay by Rx. 5·8 millions and the trade of Karachi by Rx. 1·8 millions, a much larger proportionate reduction than that of Bombay.

Government Stores.

The total value of these transactions was Rx. 4,279,865, that of the preceding year having been Rx. 3,728,466, and of 1894-95 Rx. 3,550,589. Imports of stores amounted to Rx. 4,189,251 against Rx. 3,620,358 in 1895-96, and Rx. 3,361,555 in 1894-95—the increase in both years being the result of a larger importation of railway material.

During the last five years the values of imports and exports on account of Government have been as follows (in Rx.):

	<i>Imports.</i>		<i>Exports.</i>	
	Stores.	Treasure.	Stores.	Treasure.
1892-93 .	3,660,247	...	59,479	29,929
1893-94 .	3,064,475	36,000	55,779	75,455
1894-95 .	3,361,555	22,200	98,779	68,055
1895-96 .	3,620,358	9,000	71,598	27,510
1896-97 .	4,189,251	9,210	69,799	11,605

Railway material bulks so largely in the imports on account of Government that it may be as well to shew its value in the last five years :

	Rx.
1892-93 .	1,289,050
1893-94 .	1,091,586
1894-95 .	1,246,216
1895-96 .	2,019,534
1896-97 .	2,304,218

The difference between these sums and the total of the imports of Government stores is to a great extent represented by military stores, but the value of stores imported for the army cannot be quite precisely separated off in the trade accounts.

Customs Revenue.

The following exemptions from import duty were sanctioned during the year :

fishmaws, sharkfins, and mother-of-pearl shells, these articles being almost entirely re-exported ;

machinery for making paint, tiles and bricks, and for electric lighting ;

racks for withering tea-leaf.

The gross revenue from imports, salt excluded, was, in the last three years :

	Rx.
1894-95 .	2,895,426
1895-96 .	3,978,645
1896-97 .	3,578,863

The increase in 1895-96 was due to the inclusion of cotton goods and yarns in the schedule of dutiable articles, these goods having been exempt from duty until the end of December 1894. The rate of duty on cotton goods was reduced, and yarns were again exempted, near the end of 1895-96. These changes account for the decrease in 1896-97.

The revenue obtained from the articles which are subject to special rates of import duty was :

	1894-95. Rx.	1895-96. Rx.	1896-97. Rx.
Arms and ammunition	32,238	33,868	37,215
Malt liquor	15,729	19,047	18,813
Cider and other fermented liquor	197	186	154
Spirits	549,880	590,899	591,039
Liqueurs	6,152	7,690	8,005
Wines	39,652	44,660	41,152
Opium	432	405	347
Petroleum	317,995	400,002	412,618
Salted fish	11,016	13,366	13,543
Total gross revenue	973,291	1,110,123	1,122,886

All other dutiable imports are taxed at the general rate of 5 per cent, except cotton goods which are taxed at $3\frac{1}{2}$ per cent, and the bulk of iron and steel which are taxed at 1 per cent. The revenue obtained from these classes of goods in the last three years was as follows :

Under Articles of Food and Drink (other than liquors) Rx. 302,153 were received, the principal items being :

	1894-95. Rx.	1895-96. Rx.	1896-97. Rx.
Sugar	140,674	153,095	162,152
Provisions	45,828	54,672	48,897
Fruits and vegetables	35,260	35,566	28,840
Spices	37,774	35,258	32,209
Tea	30,706	25,143	26,997

Chemicals, Drugs, Narcotics, and Dyes produced the small sum of Rx. 91,769, the chief items being :

	1894-95. Rx.	1895-96. Rx.	1896-97. Rx.
Drugs, medicines, narcotics	34,703	35,101	33,659
Chemical products and preparations	25,799	27,197	22,857
Dyes and tans	31,158	39,811	35,253

The revenue from articles grouped under *Metals* and *Articles made of metal* amounted to Rx. 529,029, of which about three-fifths was obtained from silver. The principal items are :

	1894-95. Rx.	1895-96. Rx.	1896-97. Rx.
Hardware and cutlery	71,931	74,548	79,105
Copper and brass	77,266	105,969	55,207
Iron	22,589	29,341	28,431
Lead	1,276	1,737	1,601
Silver	348,951	355,868	326,483
Steel	6,247	10,484	9,724
Tin	16,620	18,300	13,174
Zinc	6,129	6,618	3,573

From *Oils* (petroleum excepted) only Rx. 16,738 was obtained, the importation of mineral oil alone being considerable.

The largest items of all, *manufactures of cotton*, produced a revenue of Rx. 917,815, the descriptions being those specified below :

	1895-96. Rx.	1896-97. Rx.
Piece-goods: grey (unbleached), mostly shirtings, chadars, dhutis, saris, and scarves	598,962	593,257
Piece-goods: white (bleached)	214,716	200,546
„ coloured, printed, or dyed	231,189	196,985
Handkerchiefs and shawls in the piece	9,159	3,807
Hosiery and other manufactures	12,554	13,220

The reason for the decline lies, as stated above, mainly in the reduction of duty, for the volume of trade in these articles was in fact larger than in 1895-96.

Of the other articles enumerated in the tariff schedules those specified below produced a revenue of Rx. 10,000 and upwards in 1896-97 :

	1894-95. Rx.	1895-96. Rx.	1896-97. Rx.
Apparel	78,326	72,411	71,262
Carriages, carts, and other conveyances (including bicycles)	4,403	5,610	12,251
Earthenware and porcelain	9,795	11,688	10,257
Glass and glassware	31,810	36,974	35,269
Instruments, apparatus, and appliances	13,650	17,211	17,027
Ivory and ivory ware	13,682	15,627	10,819
Leather and articles made of leather (mainly boots and shoes, harness and saddlery)	14,810	15,629	14,542
Matches	18,409	18,130	14,282
Paints, colours, painters' materials, and compositions for application to leather, wood, and metals	16,372	20,923	19,242
Paper and pasteboard	18,834	25,404	23,364
Silk and articles made of silk	119,774	146,375	113,480
Stationery	14,317	14,575	14,436
Umbrellas	16,959	17,103	15,301
Wood and timber, and articles made of wood	10,760	14,670	11,634
Woollen goods	77,295	72,988	84,960
Articles imported by post	14,308	14,251	14,026

The total gross revenue from all articles subject to import duty, salt excepted, was Rx. 3,578,863. On the same articles the drawbacks and refunds in the year amounted to Rx. 97,484, the net revenue being Rx. 3,481,379, which was about 97 $\frac{1}{4}$ per cent of the gross revenue. The drawbacks, amounting to Rx. 68,667, are given to the extent of seven-eighths of the import duty on articles re-exported from India. The refunds, amounting to Rx. 28,817, are given in special cases where exemption is allowed after payment of duty or where duty has been erroneously charged, but the bulk of the refunds represents the difference between the specific duty chargeable on the import of arms and the rate of 10 per cent *ad valorem* payable when the arms are sold by the importing trader to persons authorised to possess arms.

The export tariff schedule is limited to rice and rice-flour, a duty of three annas (three-sixteenths of a rupee) being levied on each maund of 82 $\frac{2}{7}$ lbs. The gross and net duty realised in the last five years have been :

	Gross. Rx.	Net. Rx.
1892-93	741,194	725,402
1893-94	660,477	645,475
1894-95	903,488	887,977
1895-96	929,224	912,985
1896-97	752,560	734,662

The reduction is due to the diversion to India of Burman rice which, in an ordinary year, would have been shipped to foreign ports and have been charged with the export duty.

CHAPTER V.

Balance of Trade.

The excess of exports over imports, including treasure as well as merchandise, for each of the last ten years was (in Rx.):

	Including Government transactions.	Excluding Government transactions.
	Rx.	Rx.
1887-88	13,317,800	15,774,700
1888-89	15,548,400	18,266,400
1889-90	18,709,700	21,219,400
1890-91	8,440,700	11,253,200
1891-92	27,305,200	29,869,100
1892-93	30,279,300	33,850,100
1893-94	15,120,900	18,090,100
1894-95	34,029,600	37,246,600
1895-96	32,289,800	35,820,100
1896-97	19,733,100	23,850,100

In the same period the drawings of the Secretary of State in Council bills have been—

	£	Exchange. Pence.	Rx.
1887-88	15,358,577	16.899	= 21,812,400
1888-89	14,262,859	16.379	= 20,899,100
1889-90	15,474,496	16.566	= 22,418,700
1890-91	15,969,034	18.089	= 21,186,900
1891-92	16,093,854	16.733	= 23,082,800
1892-93	16,532,215	14.984	= 26,478,400
1893-94	9,530,234	14.546	= 15,723,600
1894-95	16,905,102	13.1	= 30,969,900
1895-96	17,664,493	13.638	= 31,085,500
1896-97	15,526,547	14.45	= 25,787,000

The condition of the country in the second half of the year seriously affected the export trade, and in the first half of the year an active trade in imported merchandise—especially cotton goods—was carried on. Hence the excess of exports over imports was smaller than it would have been in a normal year.

Gold and Silver Coin and Bullion.

The imports and exports during the last ten years were :

Gold—

	Imports.	Exports.	Balance, net Imports.
	Rx.	Rx.	Rx.
1887-88	3,236,100	243,600	2,992,500
1888-89	3,119,100	305,200	2,813,900
1889-90	5,071,000	455,700	4,615,300
1890-91	6,500,800	864,700	5,636,200
1891-92	4,118,900	1,705,100	2,413,800
1892-93	1,781,800	4,594,500	—2,812,700 (<i>net exports.</i>)
1893-94	3,146,500	2,505,300	641,200
1894-95	1,756,300	6,730,400	—4,974,100 (<i>net exports.</i>)
1895-96	5,029,300	2,503,300	2,526,000
1896-97	4,491,200	2,200,100	2,291,100

Silver—

	Imports.	Exports.	Balance, net Imports.
	Rx.	Rx.	Rx.
1887-88 .	10,589,800	1,361,100	9,228,700
1888-89 .	10,725,900	1,479,200	9,246,700
1889-90 .	12,388,500	1,450,600	10,937,900
1890-91 .	15,433,600	1,258,500	14,175,100
1891-92 .	10,603,700	1,581,500	9,022,200
1892-93 .	15,228,000	2,364,400	12,863,600
1893-94 .	15,314,700	1,594,900	13,719,800
1894-95 .	7,824,900	1,495,700	6,329,200
1895-96 .	8,338,700	1,756,500	6,582,200
1896-97 .	8,593,400	2,737,400	5,856,000

It is singular that in a time of general distress from the failure of crops the country should have imported and retained a quantity of gold costing over Rx. 2¼ millions. The fact can only be explained by the suggestion that the gold was required for speculative purposes by dealers, and that, for such purposes, there was no sufficient available stock in the market, for during the three years 1892-93 to 1894-95 the country must have parted with a large portion of its floating stock, that portion which is in the hands of bullion dealers in the bazars.

The imports of silver were also large at a time when some persons seem to think that, to enable themselves to purchase food, the women of the country were universally denuding themselves and their children of their silver ornaments and selling them for any price that the astute moneylender would offer. It has been repeatedly argued recently in this connection that the persons who are supposed to have been thus compelled to part with their ornaments have a legitimate cause for grievance in not obtaining as high a price for their silver as that which they gave for it, that the Government are responsible for the grievance because the closure of the mints in 1893 had some effect in reducing the price of silver, and that perhaps the most potent cause of what is alleged to be the "present unrest and discontent" in India is the comparatively low price which sellers of silver ornaments have been obtaining for them.

These statements may be traversed by giving to the fundamental assertion a positive denial. It is not true that the people have been parting with their silver ornaments to any extent, and it is still less true that their sale at a lower price than their cost has any share whatever in any unrest and discontent which may exist in the country.

There is no evidence whatever that there have been any considerable sales of silver ornaments. On the contrary it is manifest that if there had been such sales, and any considerable quantity of silver had been thrown on the market, there would have been no occasion for the importation of such a quantity of silver as was brought to India, a quantity but little smaller than the imports in any year since the closure of the mints and nearly two-thirds of it imported in the second half of the year when the distress was acute. It is not reasonable to suppose that, at such a time, India would have required from other countries as much silver as she has been in the habit of importing for the purpose of making ornaments if any considerable number of the people were divesting themselves of such ornaments and throwing them upon the market. It is obvious, in fact, that the demand for ornaments, at a time when prices of food-grains were ranging at

about double the normal level, would be sensibly diminished. Yet we are asked to believe, the imports being on a scale not much below the normal level, that the demand for silver was in fact much larger than in times when the people had much more money to invest in such articles.

It may further be pointed out that the native papers have had a great deal to say, during the famine, of its administration and of the condition of the people, and these papers have not been slow to discover every imaginable grievance against the action of the State and its officials. If then there had been large sales of silver ornaments as a result of distress, and there had been dissatisfaction with the reduction in price, we should not have waited long to hear of it through the native press. Yet no allusion to anything of the kind has appeared in the native newspapers, and it may therefore be inferred, without fear of mistake, that nothing of the kind has happened.

It is not improbable indeed that there has been some sale of ornaments and still more pledging of ornaments, but it is reasonable to conclude from the facts just stated, that such transactions must have been on a very moderate scale. The latest precedent was in the famine of 1877-78 when silver ornaments amounting to about ten million tolas, which would be worth at present under Rx. 780,000, were brought to the mints. That was a widespread and intense famine which affected a region where the habit of wearing silver ornaments is more general than in the largest part of the regions affected by the recent failure of the crops. It is a well known feature of the present famine moreover that the population affected were chiefly of the class of landless labourers, who carry but little silver on their persons, and that urban residents and zamindars do not seem to have been pinched in any appreciable degree.

It is also correct to say that the silver ornaments of their women and children are about the last things the people will part with. Those who possess such things also possess other things which have a market value, and these other things are those which are parted with first. Amongst these things we have always found pots and pans of copper and brass, and a well known economic feature of Indian life at all times is the desire to buy such articles when times are good and the readiness to part with them, substituting earthenware, when times are bad. The imports of copper are in fact (when prices of the metal are not abnormally affected in Europe by speculation) a very accurate economic barometer. Now it has been seen that the imports of copper last year declined very materially, and that there were no external causes to account for the decline. It is perfectly correct then to draw the inference that the people could not afford to buy metal domestic utensils and that the market was being supplied with those which the people were selling while the pinch lasted. On the other hand we see that the imports of silver were surprisingly large, considering the conditions, and it is reasonable to infer that no large supplies were being thrown on the market from internal sources.

Even, however, if it were quite true that great numbers of people sold their ornaments and were disappointed that they did not get a higher price for them, the conclusions which are drawn from the premises are unwarranted. It is assumed that in all these cases the ornaments were made and bought before the closure of the mints in June 1893, an assumption which overlooks the fact that during the period since then an enormous quantity of silver has been poured into the country,

most of which has been used in the manufacture of ornaments. Is it supposed that none of these recently made ornaments were in the possession of those who were under the necessity of parting with their possessions? Is it supposed that none of the silver which was brought in great quantity when the price for a twelvemonth in 1894 ranged from 27 to 28 pence an ounce was sold last year when the price ranged from 30 to 31 pence an ounce? In any case, even if it were true that certain silver ornaments have been sold, at a loss to the sellers on their purchase price in consequence of the action of the Government in closing the mints, it is quite as true that the same action has enabled the people to import the silver which they are so eager to possess to at least twenty, perhaps fifty, times the value of the silver sold, at prices which must have afforded much contentment to the purchasers. Lastly, it may be said that the State is under no obligation to preserve the value of silver any more than it is under an obligation to preserve the value of gold. This metal is at least as much prized for purposes of ornament and of hoarding as silver, and it is as much a store of value as silver, but the action of the Government in keeping the mints open caused gold to appreciate in value in relation to the silver with which the people buy it, and the higher price must have prevented great numbers from indulging their desire to possess gold. We do not hear of any complaints on this score, nor do we hear of the benefit conferred on people who bought gold from ten to twenty years ago by the constant appreciation it has since undergone. Nor do we hear of the injury which has been done to purchasers of gold by the recent rise in the exchange value of the rupee. The truth is that the action of the Government in keeping the mints open so long after silver was discredited as a standard of value throughout the world benefited some and injured others, as its action in closing the mints benefited some and injured others. In neither case was the Government under any obligation to adopt, or to refrain from adopting, a certain course of action in consideration of the consequences to a particular section of the community: the action taken in both cases was dictated by considerations of the general interest and well-being of the State and the people as a whole.

The quantity imported (net) in each of the last six years is stated below, with the quantity which passed into the mints of the Native States :—

Quantity imported (net).		Quantity passed into the native mints.	
1891-92	ounces 32,348,438	1891	ounces 4,147,266
1892-93	45,523,512	1892	5,817,070
1893-94	54,328,973	1893	7,476,500
1894-95	27,040,022	1894	3,297,435
1895-96	27,018,079	1895	4,115,926
1896-97	25,929,088	1896	4,524,663

The coinage requirements of the Native States, it will be seen, continue to account for but a small proportion of the imports, on the average not quite 15 per cent since the British mints were closed. Some portion of the silver has been brought into India to be taken across the frontier, but this quantity is known to be comparatively small. On the whole, it may be taken as certain that at least four-fifths of the imports since the closure of the mints have been intended to supply the ordinary wants of the people of India for the manufacture of art-ware and ornaments, and to be held by dealers for speculative purposes, while the remaining fifth (or sixth) has been made into coin by the Native States or been

exported beyond the frontier. The average net imports for the last three years have been 26,662,000 ounces; in the three years preceding that period the average net imports were 44,067,000 ounces. It is frequently stated that India has imported as much silver since the closure of the mints as before it; but the fact is, as here stated, that there has been a reduction of about 40 per cent in the imports. Experience so far, since June 1893, would seem to justify the inference that the capacity of India for the absorption of silver (otherwise than as current British coin) may be taken as approximating to an average of 26 or 27 million ounces a year; but possibly the heavy recent fall in the price of silver may affect the demand, and it will be judicious to adjourn a positive conclusion until firmer ground is reached in the resumption of normal conditions in India and a more stable market value for silver—if such a thing is conceivable in connection with that metal.

The existence of abnormal conditions in India and a further decline in the market price of the metal have violently disturbed the relations—distant but distinct—which existed between the rupee and silver, as presented in the diagram which was published in the review of the trade of 1895-96. That diagram shewed the closest and most intimate of relations between the rupee and silver until the closure of the mints, but that event caused an instant separation, the rupee moving up and silver moving down, until a time arrived when they began to move coincidently, though at a respectful distance from each other, until July 1896. Since that month silver has been moving rapidly downwards with violent fluctuations while the rupee has been steadily moving upwards with fewer and less violent oscillations. These separate movements have been induced by special and specific causes particular to each, and it is probable that in the course of time, as on the former occasion to which reference has just been made, when normal conditions are restored, silver will again begin to follow, but at a much greater distance than was observed until October 1896, the course of the rupee. This anticipation is based upon the assumption that nothing happens to violently elevate the market price of silver, as, for instance, a practical outcome of the present endeavours of France and the United States to raise the value of the metal. Meanwhile, the republication of the diagram of the course of the rupee and the price of silver is postponed until the exceptional conditions have disappeared.

The descriptions of silver imported and exported in the last two years were as follows, the values being stated in Rx. :

	Imports,				Exports,		
	1894-95.	1895-96.	1896-97.		1894-95.	1895-96.	1896-97.
Bars, from London	6,864,443	7,474,972	7,489,503		13,292	35,765	13,580
Rupees (Government of India) .	814,452	734,601	1,010,928		1,301,707	1,068,340	1,603,016
Dollars	117,609	109,043	56,385		77,920	619,251	1,105,095
Other coin	6,223	11,100	27,358		34,724	5,627	4,059

It will be gathered from these figures that the form in which silver is imported is principally standard bars; that the exports of rupees in the last two years have greatly exceeded the imports; and that there has been a very large increase in the exports of dollars. These dollars are the so-called "British dollar" which are minted in Bombay for circulation in Hong Kōng and the Straits (and in any other place where the people will accept them). The mintage of these coins, has proceeded with great activity in the present year under the influence of the fall in the price of silver and the withdrawal of the Japanese *yen* from the regions in which this dollar is intended to circulate.

CHAPTER VI.

Shipping.

Total number and tonnage of the shipping, steam and sailing, with cargoes and in ballast, which entered from and cleared to foreign countries, during each of the last five years :

	No.	Tons.	Average tonnage.
1892-93 .	10,723	7,692,291	717
1893-94 .	9,995	7,665,886	767
1894-95 .	10,577	8,255,822	780
1895-96 .	10,297	8,226,600	799
1896-97 .	9,940	7,698,585	774

The decline in the export trade, which has been to a regrettable degree the topic of the preceding chapters, was necessarily accompanied by a decline in the number and tonnage of the shipping which entered and left Indian ports. The reduction in tonnage was 6·4 per cent.

The work of the shipping continues to be done to an increasing extent by steam. Steamer tonnage represented 85 per cent of the whole in 1895-96, and 86 per cent last year. The total number of steamers which entered and cleared was 4,190 with an aggregate burden of 6,629,985 registered tons, the average tonnage of each steamer being 1,582 tons. About 5½ per cent of the steamer which cleared left in ballast in 1895-96, and 7 per cent last year.

Of the total of 7,698,585 tons, the entries from and clearances to the United Kingdom were 2,306,710, and 30 per cent of the total against 32·4 per cent in 1895-96. Entries from and clearances to British possessions fell from 2,897,981 tons to 2,868,632 tons. There was also a material decline in the tonnage of vessels entered from and cleared to foreign countries :

	No.	Tons.
1893-94 .	2,808	2,575,413
1894-95 .	2,830	2,698,084
1895-96 .	2,831	2,661,389
1896-97 .	2,410	2,523,243

The relative proportions of tonnage entered and cleared last year were as follow :

	1895-96. Per cent.	1896-97. Per cent.
From and to the United Kingdom .	32·4	30
„ „ British possessions .	35·2	37·3
„ „ foreign countries .	32·4	32·7

The vessels carrying the trade of India for the most part fly the British flag, the tonnage of vessels sailing under that flag representing about 80 per cent of the whole.

The tonnage of vessels under foreign flags was 14·3 per cent of the whole.

The proportion of the tonnage of vessels under the British Indian registry was about 3·6 per cent of the whole. These are all sailing vessels of small tonnage.

The total number of vessels under foreign flags which entered and left last year was 1,034 against 1,298 in 1895-96, their burden aggregating 1,103,066 tons against 1,169,700 tons in 1895-96. The principal flags were—

	1894-95.		1895-96.		1896-97.	
	No.	Tons.	No.	Tons.	No.	Tons.
German . . .	238	362,454	270	423,753	236	411,214
Italian . . .	61	119,518	59	115,328	54	96,855
Austrian . . .	105	218,030	114	237,358	112	239,729
French . . .	89	81,482	132	162,488	116	156,399
Norwegian . . .	91	94,943	88	93,075	80	75,548
Arab . . .	462	62,052	498	69,058	315	46,206
American . . .	10	12,156	9	8,290	2	2,150

As remarked last year, it is worthy of note that the German and Austrian flags now cover much more than half of all the foreign tonnage which enters and leaves Indian ports. The American flag would seem to be disappearing from these coasts, but it is probable that the decline is only temporary, caused by the exceptional conditions of trade.

The native craft continue at a low and declining level:

	No.	Tons.
1892-93 . . .	3,153	166,404
1893-94 . . .	2,966	158,673
1894-95 . . .	2,985	156,788
1895-96 . . .	3,004	156,805
1896-97 . . .	3,090	154,320

The shipbuilding industry in India continues to be on the most restricted scale. The numbers built in the last two years were as follows:

	1894-95.				1895-96.				1896-97.			
	Steamers.		Sailing vessels.		Steamers.		Sailing vessels.		Steamers.		Sailing vessels.	
	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.
In Bengal . . .	...	...	6	1,073	...	...	1	59	...	...	9	761
In Bombay . . .	2	22	31	734	2	40	52	1,344	5	99	28	831
In Sind . . .	...	...	7	284	...	...	10	236	...	...	12	529
In Madras . . .	...	...	13	263	...	...	18	362	...	...	16	332
In Burma . . .	...	...	9	435	1	52	6	119	1	39	10	384
Total . . .	2	22	66	2,789	3	92	87	2,120	6	138	75	2,837

Section II.—Trans-Frontier Trade.

CHAPTER VII.

The total value of the trade, both imports and exports, increased largely :

Merchandise and treasure.			
	Imports.	Exports.	Total.
	Rx.	Rx.	Rx.
1891-92 .	4,249,592	4,067,644	8,317,236
1892-93 .	3,895,389	3,594,691	7,490,080
1893-94 .	4,351,251	3,698,321	8,049,572
1894-95 .	4,931,538	4,254,198	9,185,736
1895-96 .	4,974,286	4,230,297	9,204,583
1896-97 .	5,637,113	4,934,852	10,571,965

These figures include treasure, but the record under that head is necessarily so fragmentary, that in considering the geographical distribution of the trade, it will be convenient to notice only the figures which relate to merchandise. These are shewn below against each principal country, the countries being arranged geographically, proceeding from west to east along the line of frontier :

	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
N.-W. Frontier	Lus Bela . . .	67,428	68,322	73,196	67,253	90,158
	Khelat . . .	54,439	77,604	91,134	119,206	118,488
	Kandahar . . .	995,445	532,085	664,021	608,852	667,543
	Zhob and Loralai . .	85,866	59,975	66,440	70,598	71,283
	Sewestan . . .	155,025	124,926	131,273	145,801	150,007
	Kabul . . .	871,759	831,351	594,046	427,765	471,236
	Tirah . . .	22,673	22,523	22,381	24,832	17,952
	Bajaur . . .	182,815	257,176	358,966	469,957	354,111
	Kashmir . . .	1,253,255	983,727	951,596	1,126,496	1,277,006
	Ladak . . .	51,737	49,630	53,032	80,835	81,521
N. and N.-E. Frontier.	Thibet . . .	149,440	154,986	185,336	210,501	195,511
	Nepal . . .	2,891,523	2,527,104	2,597,386	2,947,891	3,037,475
	Sikkim . . .	33,992	41,877	48,774	72,166	90,193
	Bhutan . . .	54,926	42,149	43,095	41,674	55,947
	Hill Tipperah . .	49,680	65,592	56,605	43,470	72,573
E. Frontier	Western China . .	150,875	144,107	271,372	316,251	224,979
	Siam . . .	56,214	74,113	123,694	64,610	112,878
	North Shan States .	339,692	333,595	378,221	402,686	350,015
	South Shan States .	36,944	175,476	172,973	380,591	424,068
	Karenni . . .	188,518	253,419	234,744	243,718	235,444
	Zimmé . . .	195,598	232,601	316,615	228,543	208,610

The increase in the trade was nearly 15 per cent, and it will be seen that it was due to a quite remarkable activity on the extreme North-Western frontier—Bajaur and Kashmir—and the extreme eastern frontier—Western China and the Shan States. Elsewhere there was a decline or only a trifling increase in the trade.

The frontier trade may be classed in three great groups, as shewn above :

- (1) The trade of the N.-W. Frontier which crosses the frontiers of Sind, British Baluchistan, and the Panjab, and is conducted chiefly with Kandahar (by railway) ; with Kabul ; the border country lying between India and Afghanistan ; Kashmir (including Ladakh) ; and that portion of the trade with Thibet which crosses the Panjab frontier. This trade amounted in the year to Rx. 3,881,168 (a large increase) and was about 42·6 per cent of the whole trade in merchandise, which amounted to Rx. 9,101,699.
- (2) The trade on the N. and N.-E. Frontier, which crosses the frontiers of the North-Western Provinces and Oudh, Bengal, and Assam. This trade amounted in the year to Rx. 3,322,841 (a small decline) and was 36·5 per cent of the whole trade. It is carried on chiefly with Nepal and Thibet, the trade with the latter country being, however, relatively insignificant.
- (3) The trade on the E. Frontier, which crosses the frontier of Burma and is conducted with China, Siam, the Shan States, Karenni, and Zimmé. This trade amounted to Rx. 1,897,690 (a large increase) and was about 21 per cent of the whole trade.

The trade in treasure, as far as it is recorded, may be separately stated here (Rx) :

<i>Imports.</i>			<i>Exports.</i>		
	1895-86.	1896-97.		1895-96.	1896-97.
Into the Panjab—			From the Panjab—		
From Kashmir	66,516	37,458	To Kashmir	31,104	67,412
„ Ladakh	960	320	„ Kabul	20,018	13,159
„ Sewestan	4,331	5,614	„ Sewestan	970	2,546
			„ Ladakh	4,226	6,509
			„ Thibet	467	481
Into the North-Western Provinces—			From the North-Western Provinces—		
From Nepal	...	13,375	To Thibet	1,607	2,152
Into Bengal—			From Bengal—		
From Nepal	68,354	390,197	To Thibet	9,665	11,380
„ Thibet and Sikkim . .	1,196	...	„ Sikkim	3,124	2,470
			„ Nepal	90,255	132,085
Into Assam—			From Assam—		
From Towang	100	64	To Dafia and Aka Hills .	91	348
„ Bhutan	...	5			
Into Burma—			From Burma—		
From North Shan States .	71,980	93,899	To North Shan States . .	47,289	46,948
„ South „ „	107,469	159,713	„ South „ „	72,385	114,574
„ West China	46,413	55,418	„ West China	13,658	10,570
„ Siam	6,641	23,163	„ Siam	49,753	26,979
„ Zimmé	21,682	59,203	„ Zimmé	7,950	92,940
„ Karenni	1,372	4,573	„ Karenni	108,638	96,711
Total	397,014	843,002	Total	461,200	627,264

The figures are so manifestly incomplete and inaccurate that it is necessary to leave them entirely out of account in considering the statistics of the trade.

N.-W. Frontier.

The bulk of the trade which crosses this frontier is carried on with Kandahar, Kabul, Bajaur, and Kashmir.

Kandahar.

The figures appended represent the value of the trade with Kandahar during the last five years :

		Imports.	Exports.
		Rx.	Rx.
1892-93	.	234,428	297,657
1893-94	.	335,849	328,172
1894-95	.	299,090	309,762
1895-96	.	410,541	257,002
1896-97	.	418,405	227,376

The increase in imports last year was largely in raw wool (which is one of the staples of the trade). The decline in exports was mainly in cotton goods and woollen goods.

It is somewhat curious that in the last two years the imports should have increased and the exports declined in the manner suggested by the figures. The increase in the imports is ascribed to a more active trade, with higher prices, in wool—which constitutes a large part of the trade. In most of the other articles in the import trade, as well as most of the important articles in the export trade—such as cotton goods—there was a restricted trade due to the epidemic of plague in Karachi and other places in Sind in the second half of the year. Traders, artisans and labourers, all fled from contagion, and business was entirely disorganised for a time.

Kabul.

The figures appended represent the value of the trade :

		Imports.	Exports.
		Rx.	Rx.
1892-93	.	220,850	610,501
1893-94	.	188,831	405,215
1894-95	.	160,400	267,365
1895-96	.	165,003	306,233
1896-97	.	151,538	290,163

The small recovery in the trade in 1895-96 has not been maintained. The trade has drooped again, and must continue to fall away under the whimsical and oppressive fiscal régime of the Amir. The decline recorded last year is ascribed by the local authorities to the flight of the Povindas (trading Afghans) from Bombay, when the plague broke out there, without waiting to bring away material for trade, to the lack of forage and high prices of grain in the Panjab which deterred the Ghilzai traders from crossing the border, and to the fiscal restrictions of the Amir. And of these three the greatest is the last.

Subjoined are the figures of the trade in the more important articles :

	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
	Rx.	Rx.	Rx.	Rx.	Rx.
<i>Imports :</i>					
Horses, ponies, mules	16,200	27,079	18,759	32,540	11,955
Drugs and medicines	14,849	11,320	11,962	9,661	2,258
Fruits, &c.	98,353	60,198	56,502	46,422	51,709
Hides, skins, and leather	13,788	17,943	14,019	17,775	19,416
Ghi	35,088	24,900	20,086	17,042	19,475
Wool, raw and manufactured	15,023	12,908	11,927	13,961	11,445
<i>Exports :</i>					
Cotton yarn	5,215	6,083	8,674	11,530	11,088
„ piece-goods	430,978	275,235	151,400	172,488	145,082
Dyeing materials	10,552	9,004	15,218	17,823	15,512
Leather	14,433	10,446	7,599	15,251	5,800
Brass, copper, and iron	14,945	12,404	11,421	11,688	23,209
Sugar	15,055	15,714	10,228	8,895	10,569
Tea	99,874	61,112	45,097	27,129	35,770

The principal imports are horses, fruits, and ghi ; and cotton goods and tea are the principal exports. The figures shew how the trade in these staples has declined even in the short space of five years.

As regards tea the appended figures shew how that trade has declined in consequence of the diversion to the Persian Gulf and Russian routes, and they also shew the relative proportions of Indian and foreign tea—though it is doubtful whether the descriptions given at the frontier can always be trusted as accurate in this respect :

	Foreign Tea.	Indian Tea.
	lbs.	lbs.
1891-92	784,336	703,920
1892-93	879,536	375,536
1893-94	597,968	152,880
1894-95	388,864	150,528
1895-96	155,792	175,280
1896-97	284,032	193,872

Bajaur.

The figures below represent the value of the trade in the last five years :

	Imports.	Exports.
	Rx.	Rx.
1892-93	109,119	148,057
1893-94	146,996	211,970
1894-95	191,836	277,221
1895-96	132,910	221,201
1896-97	382,877	461,458

The decline in this trade in 1895-96 was the result of the operations in the valley of the Chitral Relief Force, but the subsequent occupation of the road in the valley, and the locating of garrisons in the posts on the road, had the effect, directly and indirectly, of producing a most remarkable increase in the trade. Some of the increase was due to the requirements of the garrisons, but a considerable part was caused by the inducement given to the tribesmen, by the pacifying influence of the garrisons and the completion by them of roads well adapted for traffic, to bring their grain (rice and wheat) down into the Panjab. High prices there for these grains and for ghi, the other staple import, gave them a handsome profit which they carried away in cloth and in the various other articles which form the staple of trade amongst such people, cotton piece-goods and yarn, raw cotton, indigo, salt, sugar, and tea. During the present year these peaceful pursuits have been rudely interrupted in Bajaur as well as along the length of the Afghanistan border.

Kashmir.

The trade in the last five years has been :

	Imports.	Exports.
	Rx.	Rx.
1892-93 .	507,329	476,398
1893-94 .	422,888	528,708
1894-95 .	513,555	612,941
1895-96 .	636,388	640,618
1896-97 .	722,282	635,430

The increased value of imports was due to the stimulus given to the trade in food-grains by the scanty harvests and high prices in the Panjab, and also to an active trade in timber. These articles, with ghi and woollen goods (*pattu* and *pashmina*), are the most important items in the import trade. In the export trade there is nothing special to notice beyond a material expansion of the trade in cotton piece-goods.

N. and N.-E. Frontier.*Thibet.*

The trade of the last five years is :

	Imports.	Exports.
	Rx.	Rx.
1892-93 .	104,193	50,792
1893-94 .	124,616	60,720
1894-95 .	145,256	65,245
1895-96 .	127,185	68,326
1896-97 .	140,456	55,393

The total trade of last year stands at precisely the same figure as the trade of 1895-96. As remarked in the review of the trade of that year, this trade is entirely and absurdly disproportionate to the efforts which have been wasted upon its development. The conditions are such that development to any material extent cannot be expected within a reasonable period or at a reasonable cost. A certain number of animals (pack animals mostly), and the salt, borax, raw wool, and musk which they bring down, practically fill the list of imports. They take away with them some food-grain and sugar, with cotton piece-goods and a small quantity of woollens, tobacco, copper, and iron. It is a trade in which there is hardly any possibility of expansion except perhaps in respect of the raw wool which is bought by the Cawnpore Woollen Mill from the Bhot traders who bring it down from Thibet.

Nepal.

Very different from the trade with Thibet is the trade with Nepal, as will be seen from the figures appended :

	Imports.	Exports.
	Rx.	Rx.
1892-93 .	1,344,937	1,182,167
1893-94 .	1,493,012	1,104,374
1894-95 .	1,716,653	1,231,238
1895-96 .	1,765,341	1,272,134
1896-97 .	1,489,483	1,404,667

It should not be forgotten that a good deal of the trade is with the Terai, at the foot of the mountains, between which and the adjoining British territory the frontier is only marked artificially.

The principal articles in this comparatively extensive trade, far the largest on the whole frontier, are these :

	1893-94. Rs.	1894-95. Rs.	1895-96. Rs.	1896-97. Rs.
<i>Imports:</i>				
Horses, cattle, sheep and goats	131,122	140,354	140,612	115,232
Hides and skins	64,139	53,325	52,380	62,815
Drugs, non-intoxicating	37,580	44,989	66,588	44,712
Rice, husked and unhusked	589,790	628,436	635,624	428,590
Other food-grains	84,683	166,903	179,540	156,204
Ghi	68,410	70,236	75,544	59,669
Provisions	59,061	100,127	82,962	58,455
Linseed	85,065	114,016	117,100	124,954
Mustard, rape, and other oilseeds	123,782	96,359	88,242	107,546
Spices	35,331	40,495	57,426	52,259
Tobacco	63,617	63,245	52,965	56,818
Timber	63,574	85,415	81,361	68,546

Exports:

Cotton yarn	102,582	97,036	95,606	107,561
„ piece-goods	414,187	511,185	448,145	486,892
Metals	77,520	80,608	98,495	101,820
Provisions	89,469	115,467	129,147	108,734
Salt	89,173	92,613	93,469	114,574
Spices	56,842	69,608	103,031	119,306
Sugar	39,923	44,555	54,789	62,257
Tobacco	33,310	31,759	42,173	55,619
Petroleum	15,957	18,983	27,779	47,104

The decline, it will be seen, was in the importation of rice and other food-grains from the Terai. When it became apparent that famine was inevitable in India in consequence of the failure of the autumn harvest, the Nepal Darbar promptly prohibited the export of food-grains, the object being to prevent a rise of prices in the territory of Nepal.

E. Frontier.

Western China.

The figures appended shew how restricted this trade is still:

	Imports. Rs.	Exports. Rs.
1892-93	50,532	93,574
1893-94	137,216	134,157
1894-95	115,506	200,745
1895-96	86,908	138,072
1896-97	99,591	230,214

In the import trade there are fluctuations, but no appreciable advance, though there has been some development in the export trade. Probably, however, some advance may be expected, with the completion of the railroad from Mandalay to the Kunlon ferry, in the trade with Western China and the Northern Shan States.

The import trade is petty, raw silk and orpiment representing on the average more than half of the whole trade. The exports consist of raw cotton, yarn, and piece-goods, also provisions, salt, and silk goods.

With *Siam* the trade is quite trifling, the imports and exports last year amounting in value to only Rx. 39,853 and Rx. 33,225 respectively.

The trade with the Northern and Southern Shan States, Karenni, and Zimmé, is on the contrary very extensive, as will be seen from the appended figures:

Northern Shan States.

		Imports. Rx.	Exports. Rx.
1892-93	.	201,948	131,646
1893-94	.	216,707	161,514
1894-95	.	216,965	185,721
1895-96	.	180,799	169,216
1896-97	.	189,024	204,979

Southern Shan States.

1892-93	.	92,966	82,510
1893-94	.	96,424	76,549
1894-95	.	164,090	216,501
1895-96	.	168,642	255,426
1896-97	.	318,156	336,251

Karenni.

1892-93	..	233,688	19,730
1893-94	..	214,025	20,719
1894-95	..	233,868	9,850
1895-96	..	206,687	28,757
1896-97	..	192,632	16,122

Zimmé.

1892-93	.	218,061	14,540
1893-94	.	230,172	86,442
1894-95	.	203,321	25,222
1895-96	.	182,999	25,611
1896-97	.	180,752	56,891

The trade of Burma with Western China, Siam, and the other regions on the Eastern frontier amounted in 1895-96 to Rx. 1,555,994, and last year to Rx. 1,897,690.

From the Northern Shan States the principal imports are provisions and pickled tea; from the Southern Shan States lac, cattle, and fruits; from both the Northern and Southern States an exceptional trade in rice last year under the stimulus of very high prices; and from Siam cattle. From Karenni and Zimmé the chief import is teakwood. To all these regions the principal exports are cotton yarn and piece-goods and silk piece-goods, also some metals and metalware.

General.

The nature of the trade carried on across the frontiers will be understood from the subjoined list of the principal imports and exports and their values in the last three years :

<i>Imports.</i>				<i>Exports.</i>			
	1894-95. Rx.	1895-96. Rx.	1896-97. Rx.		1894-95. Rx.	1895-96. Rx.	1896-97. Rx.
Animals, living :				Animals, living . . .	62,055	67,484	105,375
Horses, ponies, mules . . .	63,731	68,949	43,342	Cotton, raw . . .	131,135	82,675	132,406
Cattle	179,677	231,191	214,787	Cotton yarn :			
Other kinds	75,959	76,988	75,218	European	170,018	178,324	206,032
Borax	19,705	19,199	19,735	Indian	75,715	78,042	118,346
Drugs and medicines (largely charas)	113,496	157,066	131,528	Cotton goods :			
Dyes	37,866	37,486	35,102	European	1,208,552	1,113,605	1,308,927
Fruits, vegetables, and nuts	284,629	295,075	248,849	Indian	437,365	426,582	453,173
Grain and pulse (largely rice)	882,053	921,873	911,070	Dyes :			
Hides, skins, and horns	170,259	147,987	167,050	Indigo	40,130	45,012	51,053
Lac	27,486	45,683	17,025	Other kinds	26,029	20,667	21,378
Seeds :				Grain and pulse	72,884	91,653	89,114
Oilseeds (chiefly linseed and rapeseed)	228,347	247,581	283,310	Metals, mainly brass, copper, and iron	182,806	208,235	193,626
Tea seed	2	2,529	17,554	Oils : Petroleum	35,059	45,067	68,851
Provisions :				Provisions	211,791	216,683	226,913
Ghi	374,611	368,834	420,866	Salt	220,253	236,459	271,606
Other sorts	264,773	222,987	171,757	Silk goods	83,680	83,698	120,128
Silk, raw	74,065	50,637	46,887	Spices	114,211	144,109	172,867
Spices	64,519	80,729	80,415	Sugar	172,369	168,084	199,335
Tobacco	72,254	61,959	66,259	Tea :			
Wood and timber, chiefly teak	662,389	667,193	832,674	Indian	33,727	51,831	52,859
Wool, raw	269,028	322,353	364,579	Foreign	46,328	22,275	46,956
Woollen goods	89,434	109,830	164,571	Tobacco	63,125	72,974	101,807
				Woollen goods	79,869	55,567	49,587

Section III.—Coasting Trade.

CHAPTER VIII.

The total trade, imports and exports, merchandise and treasure, was in the last ten years :

	Rx.		Rx.
1887-88 .	60,738,634	1892-93 .	66,097,209
1888-89 .	60,166,070	1893-94 .	68,446,208
1889-90 .	59,211,043	1894-95 .	70,317,044
1890-91 .	65,586,392	1895-96 .	74,604,838
1891-92 .	67,896,004	1896-97 .	68,200,970

Taking the export value as representing the actual value, the trade of the last five years is stated in the figures appended, which do not include exports of Government stores or treasure :

	Indian Merchandise. Rx.	Foreign Merchandise, Rx.	Treasure. Rx.
1892-93 .	23,230,640	7,150,335	2,080,176
1893-94 .	23,250,899	7,250,196	1,602,580
1894-95 .	25,027,220	7,541,147	2,113,256
1895-96 .	26,229,816	7,849,728	1,787,685
1896-97 .	25,215,226	6,688,431	1,896,640

The contraction of trade extended generally over most of the principal articles in the trade. These are mentioned in the list below, in the order of their importance, and placed against them are their import values in the last five years, that is, the value of the imports into British Indian ports :

Indian Merchandise.

	1892-93. Rx.	1893-94. Rx.	1894-95. Rx.	1895-96. Rx.	1896-97. Rx.
1. Grain and pulse	4,418,857	5,045,071	4,921,191	5,341,331	6,308,895
2. Cotton, raw	4,114,713	6,789,792	3,786,435	5,683,021	3,445,032
3. Cotton manufactures, including twist and yarn . . .	2,000,024	2,251,103	2,608,291	2,788,275	2,640,737
4. Jute manufactures	1,526,056	1,509,766	1,516,369	1,692,023	1,527,196
5. Spices	1,338,890	1,384,044	1,457,682	1,276,782	1,156,058
6. Teak timber	821,464	849,864	887,092	995,729	1,032,943
7. Salt	927,690	863,625	979,993	937,681	1,014,830
8. Provisions	942,234	876,026	811,855	940,226	969,238
9. Seeds	1,156,905	1,258,836	1,594,370	1,862,329	959,108
10. Oils	723,722	811,515	861,527	1,031,057	905,323
11. Cocoanuts and kernel . . .	775,371	808,176	1,035,572	879,162	743,913
12. Tobacco	727,963	577,521	593,048	695,640	629,098
13. Coal	269,104	285,314	244,455	407,701	618,370
14. Jute, raw	677,272	676,994	604,447	675,036	540,216
15. Hides and skins	556,896	510,099	550,923	574,725	521,083
16. Sugar	644,328	635,705	595,471	630,008	514,467
17. Spirits	400,972	409,764	409,659	462,395	428,438
18. Timber and wood, other than teak	380,086	384,469	412,474	457,273	352,249
19. Coffee	557,420	331,593	368,213	391,931	207,813
20. Tea	128,218	168,950	194,692	242,773	168,192

This general decrease is due to the effects of famine and of plague, the combination of these two causes having operated to bring about a great reduction in both the import and export coasting trade of Western and Southern India. The trade of Burma and Bengal increased, as a consequence of the famine, because Bengal was largely supplied with rice from Burma during the second half

of the year. This trade, and the trade in coal, are the only two in the list in which there has been any conspicuous increase.

In the trade in coal there is a satisfactory development in progress, due to the increased consumption of Bengal coal in Bombay and Madras.

The imports of rice (husked and unhusked) into Bengal stand as follows in the last five years (cwt.) :

1892-93	.	466,819
1893-94	.	1,650,722
1894-95	.	1,153,969
1895-96	.	1,099,114
1896-97	.	3,910,046

The imports thus increased in the year nearly fourfold, rising from about 55,000 to 195,500 tons. The great mass of this grain was sent from Burma, the quantity exported coastwise from that province in the same period having been (cwt.) :

1892-93	.	2,824,352
1893-94	.	7,098,712
1894-95	.	5,483,627
1895-96	.	2,796,878
1896-97	.	6,779,928

In 1893-94 local needs in Madras were supplied from Burma, as they were supplied in Bengal and Upper India last year. Apparently the supplies were even larger in that year, but they were so only apparently ; for in 1893-94 the largest part of the supplies consisted of rice in the husk, whereas last year the largest part of the rice was cleaned. Unhusked rice weighs about 33 per cent more than cleaned rice. Bombay and Karachi also imported largely augmented quantities of rice, as well as of other food-stuffs—gram, pulse, jawar, and bajra. Madras was in the more fortunate position of being able to reduce the importation of rice and other food-grains.

Coasting Shipping.

The following table gives the number and registered tonnage of the vessels engaged in the coasting trade during the last five years (ooo's omitted in tonnage) :

<i>Entered.</i>						
	STEAMERS.		SAILING VESSELS.		NATIVE CRAFT.	
	No.	Tons.	No.	Tons.	No.	Tons.
1892-93	8,968	9,372	2,582	232	155,167	2,656
1893-94	9,224	9,974	2,695	239	153,348	2,574
1894-95	9,673	10,204	2,919	200	150,728	2,547
1895-96	9,829	10,581	3,396	219	159,755	2,728
1896-97	9,755	10,168	3,048	169	138,575	2,388
<i>Cleared.</i>						
1892-93	8,996	9,409	2,605	241	145,834	2,625
1893-94	9,238	9,996	2,675	223	143,503	2,547
1894-95	9,697	10,243	2,788	200	144,289	2,544
1895-96	9,772	10,480	3,461	211	151,073	2,665
1896-97	9,812	10,248	3,119	173	129,085	2,318

It will be seen from this table that more than three-fourths of the tonnage engaged in the coasting trade is now steamer tonnage, which constitutes about 80 per cent of both entries and clearances.

With the reduction of trade there was a sensible reduction in the tonnage entered and cleared, under each of the three heads abovementioned.

J. E. O'CONOR.

SIMLA

September 18, 1897.

Government of India
STATISTICAL BUREAU

REVIEW
OF THE
TRADE OF INDIA
IN
1897-98

- I. Foreign Sea-borne Trade
 - II. Trans-Frontier Trade
 - III. Coasting Trade
-

By J. A. ROBERTSON,

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THE TRADE OF BRITISH INDIA

WITH FOREIGN COUNTRIES

for the official year ending March 31, 1898.

INTRODUCTORY.

General Summary.

The imports and exports of the year are set out below in comparison with those of *Total values* the preceding four years (in Rx.) :—

—	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
IMPORTS.					
Merchandise	73,956,957	70,167,438	69,316,395	71,914,697	69,420,120
Gold	3,146,530	1,756,280	5,029,269	4,491,179	7,281,222
Silver	15,278,726	7,802,727	8,329,716	8,584,174	13,195,064
Total Imports .	92,382,213	79,726,445	82,675,380	84,990,050	89,896,406
EXPORTS.					
Foreign merchandise re-ex- ported	4,431,975	5,057,414	4,717,516	4,033,637	3,751,172
Indian merchandise	102,015,615	103,757,585	109,545,624	99,880,660	93,786,101
Gold	2,505,284	6,730,374	2,503,317	2,200,141	2,372,733
Silver	1,519,453	1,427,643	1,728,984	2,725,750	4,761,436
Total Exports .	110,472,327	116,973,016	118,495,441	108,840,188	104,671,442

The total value of the trade, imports and exports together, was higher by 0·38 per cent than in 1896-97 and only 3·28 per cent less than in 1895-96 which was a year of good trade. In this calculation the transactions in treasure, which amounted to 14·2 per cent of the total trade, are included, but excluding them and dealing with merchandise only the trade of last year shews a decrease of 5 per cent compared with 1896-97 and 9 per cent compared with 1895-96. The decline in imports of merchandise is 3·5 per cent compared with the previous year, but in this section of the trade a better comparison can be made by including the net imports (that is, the excess of the imports over the exports) of treasure and the total import trade on this basis is considerably higher than in any of the preceding four years, except 1893-94, when the imports of both merchandise and treasure were exceptionally high. The figures stand thus :—

	Rx.		Rx.
1893-94 . .	88,357,476	1896-97 .	80,064,159
1894-95 . .	71,568,428	1897-98 .	82,762,237
1895-96 . .	78,443,080		

The serious decline in the trade of the year occurs in the exports of merchandise, the value of which was 6·1 per cent less than in 1896-97 and 14·6 per cent less than in 1895-96. The contraction in 1896-97 was clearly traceable to the failure of the crops in 1896, and the outbreak of the plague in Western India with the disorganisation of trade consequent thereon, and these two calamities have also had a marked effect on

last year's trade. The plague did not have the same disturbing effect as during the first epidemic, and Karáchi was free of it during most of the year. But in Bombay there was a virulent recrudescence in the latter part of the year which kept away many traders. At the same time the extension throughout the country of quarantine regulations to prevent the spread of the disease and the detention in camps of travellers coming from infected areas restricted the movements of the trading population, and placed serious difficulties in the way of purchasing and collecting produce. Then the export season does not end with the financial year, but continues till June, and the restricted exports of agricultural produce caused by the failure of the rains in 1896 affected the export trade of the first quarter of the year under review. The famine was at its height during the first half of the year, and millions of people were in receipt of relief from the State until the harvesting of the autumn crops. The rains of 1897 were favourable and excellent crops were harvested, but the season was late and the increased exports of agricultural produce, such for example as wheat, took place after the close of the financial year. In this connection it will be interesting to contrast the exports of Indian produce in the first quarter of the last three years :—

—	1896-97.	1897-98.	1898-99.
Exports from April to June	Rx. 26,458,929	Rx. 21,598,214	Rx. 29,111,816

A further impediment to trade existed in the stringency of the money market and the high bank rate prevailing throughout the busiest part of the export season. The variations in the Bank of Bengal rate during the year were :—

April 1st to June 16th	10 per cent.
June 17th to 23rd	9 per cent.
June 24th to 30th	8 per cent.
July 1st to 7th	7 per cent.
July 8th to 14th	6 per cent.
July 15th to September 8th	5 per cent.
September 9th to October 6th	6 per cent.
October 7th to November 17th	7 per cent.
November 18th to 24th	6 per cent.
November 25th to December 15th	5 per cent.
December 16th to January 10th	6 to 10 per cent.
January 11th to February 23rd	11 per cent.
February 24th to March 31st	12 per cent.

A very noticeable feature in last year's export trade is the general fall in the values of all the important staples, except grain, of which the price was kept up by the scarcity of food. In some cases this can be traced to special causes such as over-production, inferior quality of the produce or the competition of foreign produce in the consuming market, but the rise in the exchange value of the rupee must have tended to this result. In the trade with silver standard countries the fall in the value of silver would further depress export prices, and this has occurred very markedly in the case of opium. The fall in values noticeable in the import trade may also be attributed to the same cause.

Imports.

The trade in cotton goods declined by 11·3 per cent, and a proportionately greater decline is noticeable in the other textile fabrics of wool and silk and in apparel. The trade in cotton and woollen goods had been overdone in 1896-97, and with the prevalence of widespread distress throughout the first half of the year and the impoverishment of great numbers of people by the famine the decrease was to be expected. Coal shews a decrease of 45·1 per cent owing to high freights and the increased consumption of Indian coal. The importation of food-grains was but little below the high level of the previous year. There were large importations of kerosene oil, and an improvement is noticeable in metals. In sugar there was a remarkable increase of 51·8 per cent owing to the extraordinarily large quantities of German and Austrian sugar poured into the country. The sugar trade of these countries was diverted to the East by the countervailing duty on bounty-fed sugar imported into the United States imposed by the Dingley tariff and the successful competition in the English

market of French sugar owing to the enhanced export bounty allowed by the French Government.

The fluctuations of the import trade and the effect on the general result of the trade in cotton goods is shewn in the figures appended :—

—	1894-95.	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.	Rx.
Cotton goods	32,673,628	25,755,872	29,750,175	26,395,008
All other imported merchandise.	37,493,810	43,560,523	42,164,522	43,025,112

The trade in cotton goods in 1896-97 increased by 15·5 per cent and declined last year by 11·3 per cent. The trade in all other articles of imported merchandise decreased in 1896-97 by 3·2 per cent and increased last year by 2·04 per cent.

There was a marked rise in the exchange value of the rupee, but the fluctuations *Exchange,* were almost as great as in the previous year. The rates in Calcutta for bank bills on *silver and* demand were :— *gold.*

—	Highest.	Lowest.	Difference, per cent.
1894-95	13 $\frac{1}{2}$ d.	12 $\frac{1}{2}$ d.	10·18
1895-96	14 $\frac{1}{2}$ d.	13 $\frac{1}{2}$ d.	11·6
1896-97	15 $\frac{1}{2}$ d.	13 $\frac{1}{2}$ d.	11·97
1897-98	16 $\frac{1}{2}$ d.	14 $\frac{1}{2}$ d.	11·09

Simultaneously with the rise in the gold value of the rupee there was a great fall in the gold price of silver as shewn below :—

—	1896-97.		1897-98.	
	Highest.	Lowest.	Highest.	Lowest.
Bombay	R96 $\frac{1}{2}$	R82	R82 $\frac{1}{2}$	R66 $\frac{1}{2}$
London	31 $\frac{1}{2}$ d.	28 $\frac{5}{16}$ d.	28 $\frac{1}{2}$ d.	23 $\frac{1}{2}$ d.

The diagram in Chapter VI of this review compares the course of exchange and the price of silver since the closing of the mints.

The net imports of gold amounted to 732,035 oz., value Rx. 4,908,489, and of silver to 44,284,617 oz., value Rx. 8,473,480. The receipts of both were extraordinarily large, and this is the more remarkable in view of the contraction of the export trade and the impoverishment of the country by the famine. The purchases were doubtless largely speculative, the rise in exchange and the fall in the price of silver making the trade profitable.

The general causes which restricted the export trade have been already men- *Exports.* tioned. The largest decrease is in raw cotton, the exports of which to Europe fell away greatly under the competition of American cotton which was exceptionally cheap and abundant. Opium and indigo shew large decreases both in quantity and price. The decreased values of raw jute, lac, and tea are entirely due to a fall in prices, the quantities exported being unprecedentedly large. The trade in cotton piece-goods was depressed, the exports to China shewing a great falling off, and the exports of sugar declined to a very low level. On the other hand, large increases are recorded under hides and skins, jute manufactures, and timber, the trade in which was very active, and there was an improvement in seeds, wool, and oils, which, in the case of the first named, is still more marked in the present year. There was but a slight increase in food-grains, but during the first quarter of this year the trade in rice and wheat was very active, the exports of the latter during that period amounting to 566,138 tons, value Rx. 6,055,308.

The aggregate trade of the year—imports and exports together—is stated below, with the trade of the five preceding years:

Excluding Government transactions—

	Rx.		Rx.
1892-93 .	193,079,831	1895-96 .	201,170,821
1893-94 .	202,854,540	1896-97 .	193,830,238
1894-95 .	196,699,461	1897-98 .	194,567,848

Including Government transactions—

	Rx.		Rx.
1892-93 .	196,829,486	1895-96 .	204,899,288
1893-94 .	206,086,249	1896-97 .	198,110,103
1894-95 .	200,250,050	1897-98 .	198,972,505

The excess of the exports over the imports (exclusive of Government transactions) fell last year to the low figure of Rx. 14·8 millions against Rx. 37·2 millions in 1894-95, Rx. 35·8 millions in 1895-96, and Rx. 23·8 millions in 1896-97.

Trade with gold and silver using countries.

The trade with countries having a gold standard, among which Japan now appears, was 76·4 per cent, and with silver standard countries 23·6 per cent, of the whole trade. The trade in merchandise with the United Kingdom was valued at Rx. 76,818,500 against Rx. 83,034,700 in 1896-97, and it represented 46 per cent of the trade with the world in merchandise, the percentage of the previous year being 47·2.

The trade with the Continent of Europe shews marked contraction, but with Austria-Hungary it increased owing to the large imports of sugar from that country. The other countries with which there was increased trade are the United States, South America, Ceylon, Japan, Persia, Arabia, and Aden.

Frontier trade.

The trade with countries across the Indian frontier remained practically stationary. The trade with Kabul and Kandahar is dwindling owing to the fiscal restrictions placed on it by the Amir, and last year further contraction was caused by the closing of the Khyber Pass and the military operations on the frontier. The effect of the fighting in Swat is noticeable in a set back of the expanding trade with Bajaur, while the requisition for the frontier campaign of all available transport similarly affected the trade of Kashmir and Ladakh. The most important trade on the frontier is with Nepal, and this shews a marked increase as also does the trade with Thibet. The trade on the North-East frontier with Siam and the Shan States shews considerable expansion; with Western China the recorded trade decreased, but this appears to be due to the diversion of trade from Bhamo to Myitkyina, the terminus of the Mu Valley Railway, where no arrangements had been made for its registration.

Shipping.

There was a decline in the numbers of vessels which entered and cleared from Indian ports and in steamer tonnage, but a more than equivalent increase in sailing tonnage.

The figures are for steamers :—

	ENTERED.		CLEARED.	
	No.	Tons.	No.	Tons.
1894-95	2,200	3,445,091	2,172	3,367,398
1895-96	2,206	3,505,321	2,190	3,474,929
1896-97	2,114	3,351,324	2,076	3,278,661
1897-98	2,079	3,296,463	2,066	3,264,929

And for sailing ships :—

	ENTERED.		CLEARED.	
	No.	Tons.	No.	Tons.
1894-95	3,109	711,295	3,096	732,038
1895-96	3,020	622,718	2,881	623,632
1896-97	2,892	532,665	2,858	535,935
1897-98	2,896	621,298	2,718	601,940

SECTION I.—SEA-BORNE FOREIGN TRADE.

CHAPTER I.

IMPORTS OF MERCHANDISE.

The values of imported merchandise since 1869-70 stand thus :—

	Exchange.	Rx.
	<i>d.</i>	
Annual average, 1869-70 to 1873-74 .	22.77	31,837,600
Annual average, 1874-75 to 1878-79 .	20.981	36,603,400
Annual average, 1879-80 to 1883-84 .	19.774	47,950,000
Annual average, 1884-85 to 1888-89 .	17.656	58,515,400
Annual average, 1889-90 to 1893-94 .	16.183	67,748,900
1894-95 .	13.1	70,167,438
1895-96 .	13.638	69,316,395
1896-97 .	14.45	71,914,697
1897-98 .	15.402	69,420,120

The value of the trade last year was less by 3.5 per cent than in the preceding year and about the same as in 1895-96. The increases and decreases in percentages and values of the most important articles in the import trade are shewn below. The decreases are in cotton goods, machinery and millwork, woollen goods, coal, silk, apparel, glassware, and liquors, and the increases in sugar, oils, metals, salt, railway materials, provisions, spices, drugs, and dyes :—

	1896-97.		1897-98.		Actual increase (+), or decrease (—), in lakhs of rupees or Rx. 10,000.
	Increase, per cent.	Decrease, per cent.	Increase, per cent.	Decrease, per cent.	
Apparel	...	4.9	...	19.1	— 28.98
Coal	...	30.2	...	45.1	— 44.17
Cotton goods	15.5	...	...	11.3	— 335.52
Drugs, medicines, and narcotics	...	8.8	8.4	...	+ 6.48
Dyeing and tanning materials	...	14.9	5	...	+ 3.63
Glass and glassware	...	5	...	18.1	— 12.75
Liquors	...	3	...	3.4	— 5.64
Machinery and millwork	8.4	...	...	18.5	— 64.91
Metals	...	15	9.2	...	+ 64.72
Oils	9.6	...	20.5	...	+ 70.74
Provisions	...	13.8	10.9	...	+ 16.82
Railway materials	75	...	8.1	...	+ 21.47
Salt	...	3.8	38.2	...	+ 24.02
Silk, raw and manufactured	...	23.7	...	18.9	— 42.31
Spices	...	8.3	23.1	...	+ 14.01
Sugar	1.4	...	51.8	...	+ 163.26
Woollen goods	17	...	...	32.1	— 54.41
					— 203.54

The net decrease in the items shewn above is 203.5 lakhs, while the decrease in the import trade is 249.4 lakhs, the difference of 45.9 lakhs being in the articles of smaller importance. The chief variations in the value of these articles are, in lakhs of rupees, decreases in tea (30.5), animals (14), stationery and paper (10.7), and precious stones (7.8), and increases in matches (13.2), chemicals (6.9), carriages (6.1), and grain (5.5).

The fluctuations in the prices of the staple imports since 1873 are shewn below, the prices of March 1873 being taken to represent 100 :—

	Grey Shirtings, 8 to 9 lbs.	Mule Twist, Grey Yarn, Banner Mills, No. 40.	Mule Twist, Turkey Red, No. 40.	Copper, Sheathing.	Iron, Flat, Bolt, etc.	Total.
March 1873 . . .	100	100	100	100	100	500
June 1874 . . .	97	92	106	95	108	498
March 1875 . . .	86	92	102	103	93	476
" 1876 . . .	86	90	92	99	79	446
January 1877 . . .	78	90	85	92	67	412
" 1878 . . .	73	78	87	86	60	384
" 1879 . . .	76	75	78	80	56	365
" 1880 . . .	81	84	75	83	73	396
" 1881 . . .	82	82	69	81	56	370
" 1882 . . .	77	81	69	90	71	388
" 1883 . . .	82	74	54	80	60	350
" 1884 . . .	75	74	62	77	62	350
" 1885 . . .	76	72	58	64	54	324
" 1886 . . .	84	67	57	57	50	315
" 1887 . . .	81	62	57	65	53	318
" 1888 . . .	79	75	59	90	61	364
" 1889 . . .	81	75	57	98	65	376
" 1890 . . .	76	74	57	69	79	355
" 1891 . . .	74	70	56	71	62	333
" 1892 . . .	74	64	57	72	64	331
" 1893 . . .	77	74	62	80	97	390
" 1894 . . .	70	69	62	83	94	378
" 1895 . . .	71	70	62	90	106	399
" 1896 . . .	69	77	62	85	111	404
" 1897 . . .	70	66	62	85	110	393
" 1898 . . .	64	61	62	90	111	388
July 1898 . . .	63	58	43	88	111	363

Cotton piece-goods and yarn have been declining steadily since 1893 and there was a heavy fall in price last year. During the first quarter of the present year there was a further heavy decline in the price of yarns. There was a considerable rise in the price of copper and slight rise in the price of iron.

The trade value of each of the classes under which the items are grouped in the trade returns in the last four years was, in Rx :—

	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
1. Animals, living (mostly horses)	305,054	269,044	308,585	367,458	227,631
2. Articles of food and drink	8,657,752	8,386,580	8,722,870	8,848,889	10,740,816
3. Metals and manufactures of metal, including hardware and cutlery, machinery and mill-work, and railway plant and rolling-stock	11,420,079	10,393,720	13,014,932	13,192,422	13,405,281
4. Chemicals, drugs, medicines and narcotics, and dyeing and tanning materials	1,837,570	1,866,294	2,160,649	1,890,124	2,060,544
5. Oils	3,570,188	2,221,222	3,137,420	3,439,150	4,146,566
6. Raw materials and manufactured articles	3,839,897	4,420,938	4,852,024	3,610,618	2,828,688
7. Articles manufactured and partly manufactured	44,276,417	42,609,640	37,119,915	40,566,036	36,010,594

The increase in the second class is due to the large imports of sugar and salt and a continued large importation of food-grains.

The decrease in the seventh class is chiefly accounted for by the decline in textile fabrics of cotton, silk, and wool, and in the sixth class by a diminished import of coal and raw silk.

Turning now to the details of the more important items in each of the classes mentioned, they may be mentioned in order.

Animals, living.

This trade consists mainly of the importation of horses from Australia and the Persian Gulf. In 1896-97 the high price of feed and the reduced demand for horses entailed losses on many of the importers. This and the continuance of the plague in Bombay checked the importation in 1897-98, the number of horses landed being 4,982 as compared with 7,191 in the previous year.

Articles of Food and Drink.

Coffee.—Last year more than 10,100 cwt. of Liberian coffee, valued at Rx. 47,663, was imported from the Straits. About 60 per cent was re-exported to Arabia and Persia.

Grain and Pulse.—A comparison of the figures of the trade for the last three years is of some interest:—

	1895-96.	1896-97.	1897-98.
	Cwt.	Cwt.	Cwt.
Barley	16,219	123,452	41,961
Gram	1,994	921	2,409
Jawár and bajra . .	35,089	112,729	100,528
Oats	1,141	16,712	18,016
Pulse	34,426	80,494	90,930
Rice	18,027	27,857	702,738
Wheat	144,974	601,356	46,325
Wheat flour . . .	11,450	12,135	23,586
Other sorts . . .	43,013	104,946	40,922
Total . . .	306,333	1,080,602	1,072,415

In ordinary years this trade is of little importance, but on the failure of the crops in 1896-97 large supplies of food stuffs had to be imported. The famine was at its height during the first quarter of 1897-98, while distress and high prices continued till late in the year, and consequently the import of food-grains was but a little less than in the previous year. The noticeable feature is the great increase in the imports of rice and the falling off in the imports of wheat. The rise of the price of the latter grain accounts for the diminished demand, but the imports of wheat-flour were nearly two million pounds in excess of the imports of the previous year and the average of the last five years. Rice came chiefly from the Straits and smaller quantities from China and Cochin-China.

Oats (for horse feed) came from Australia and the United Kingdom, and the major portion of the other grains, including wheat, from Turkish ports in the Persian Gulf, but the United States, Zanzibar, the Straits, Mozambique, and Hong Kong also participated in the trade. The receipt of 4,926 cwt. of wheat from France is further a noteworthy occurrence.

Hops.—There was a rise in the price of hops and the imports, which in 1896-97 amounted to 6,233 cwt., fell last year to 3,027 cwt. There was also a greatly diminished production of Indian beer as shewn below:

Liquors.—The importations of *malt liquor* decreased in quantity, but increased in value. The quantity of beer brewed in India is contrasted below with the imports :—

	Imported. Gallons.		Locally brewed. Gallons.
1893-94 . . .	2,787,672	1893 . . .	5,532,725
1894-95 . . .	2,514,041	1894 . . .	6,121,905
1895-96 . . .	3,048,743	1895 . . .	6,238,877
1896-97 . . .	3,022,171	1896 . . .	6,313,946
1897-98 . . .	2,835,298	1897 . . .	5,428,383

The mobilisation of a large number of British troops on the North-West frontier reduced the demand for both imported and Indian beer. The reduction in the quantity of beer brewed locally was also partly due to the high price of barley. Last year's importations were to the extent of nearly 94 per cent from the United Kingdom, the imports from Germany, Belgium, and Austria-Hungary being only 6 per cent.

There was an advance in the importations of *spirit* :—

	Gallons.		Gallons.
1893-94 . . .	1,067,373	1896-97 . . .	1,179,909
1894-95 . . .	1,093,115	1897-98 . . .	1,205,525
1895-96 . . .	1,186,696		

The relative proportions of whisky and brandy, namely, half a million gallons of the former and rather more than half that quantity of the latter, were the same as in 1896-97 and the preceding year. Germany, Holland, and Belgium sent 52,284 gallons of brandy; and 20,438 gallons of whisky were received from Germany.

Gin, rum, and liqueurs form only a small portion of the trade.

Of other than potable spirit there was imported :—

	1896-97.		1897-98.	
	Gallons.	Rx.	Gallons.	Rx.
Spirit in drugs and medicines	43,641	89,159	43,626	81,866
Spirit in perfumery . . .	16,826	53,909	17,841	52,816

Of undescribed spirit the importations last year were 159,440 gallons^a as compared with 237,130 in the previous year. This consists chiefly of arrack from Ceylon and white spirit from Germany.

Wines.—The importations of wines fell to the lowest figure yet recorded, namely, 326,101 gallons. Compared with the previous year there was a decline in all kinds but port in which there was a small increase.

The whole importation of liquors in the year represented a value of—

		* 1896-97.	1897-98.
		Rx.	Rx.
Malt liquor		472,824	460,552
Spirit		827,093	821,226
Wine		343,075	304,837
Other sorts		1,952	1,879 ^b
Total		1,644,944	1,588,494

the value last year being about 3·4 per cent less than in 1896-97.

Provisions.—The imports of the principal among the enumerated items have been in the last two years :—

		1896-97.	1897-98.
Fish, dry salted . . . lbs.		12,054,401	17,127,480
„ „ unsalted . . . „		2,466,474	2,176,960
„ wet salted . . . „		14,542,597	17,162,815
Bacon and hams . . . „		1,022,365	983,730
Cheese „		881,267	911,231
Butter „		186,539	209,785
Dates cwt.		547,295	658,206
Other dried fruit . . . „		94,003	119,034
Ghi lbs.		1,186,422	393,986

The value of the enumerated kinds of provisions, which are mentioned above with two or three trifling exceptions, was :—

	Rx.
1896-97	849,105
1897-98	996,442

Of unenumerated goods, which are not of sufficient individual importance to specify, the value was :—

	Rx.
1896-97	688,389
1897-98	709,279

The trade in dry salted fish which declined in 1896-97 on account of distress in Upper Burma and the dislocation of the trade of the port of Bombay resumed normal proportions. The importations of wet salted fish (*ngapi*) which comes from the Straits for consumption in Burma are remarkable, and in four years the trade has increased nearly fourfold. The trade in ghi, which comes chiefly from the Persian Gulf and Mekran, is liable to fluctuations, and last year declined to very small dimensions after a heavy fall in the previous year.

Salt.—There were large importations last year amounting to 486,716 tons. In the previous year the imports were low, being only 328,304 tons.

The sources of supply in the last three years have been :—

		1895-96.	1896-97.	1897-98.
United Kingdom . . tons		262,528	193,084	299,443
Germany . . . „		62,208	37,450	54,505
Aden . . . „		26,105	40,663	46,209
Arabia . . . „		11,068	13,450	42,405
Egypt . . . „		31,208	33,002	21,785
Persia . . . „		14,146	10,599	21,209

Spices.—This is a fluctuating trade. There was a very large importation of betelnuts, the chief articles of the trade, following large imports in the previous year, the Indian crops having failed for two years in succession. The trade in cloves which was small in 1896-97 again declined heavily owing chiefly to the shortness of the crop in Zanzibar. There was a recovery in the imports of pepper, but they were still far below the average. Both cloves and pepper have increased largely in price.

Sugar.—The quantity and value of the imports have been in the last five years :—

		Cwt.	Rx.
1893-94		2,127,905	2,824,190
1894-95		2,490,611	2,875,297
1895-96		2,730,963	3,106,813
1896-97		2,861,400	3,151,829
1897-98		4,608,630	4,784,479

The increase in the importations of sugar is one of the most noticeable features in the import trade of the year. The quantity imported is 61 per cent greater than in 1896-97 and the value is higher by Rx. 1,632,650. The first place is still held by Mauritius, but whereas the importation of 1,666,845 cwt. in 1896-97 was 58 per cent of the whole trade, last year its share was reduced to 38 per cent with an import of 1,778,016 cwt. There is an increase from all the sources of supply, but the bounty-fed beet sugar from Austria-Hungary and Germany has flooded the market. These countries have been forced to find an outlet for their sugar in the markets of the East by reason of the closing of the United States market by the Dingley tariff which imposed a countervailing duty equal to the export bounty, and the competition of France in the English market due to an enhanced export bounty on French sugar.

The main sources of the supply of sugar to the Indian market are these:—

—	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.
Mauritius	1,361,649	1,753,003	1,571,993	1,666,845	1,778,016
Germany	189,301	274,632	718,218	758,806	1,203,309
Austria-Hungary . .	11,549	7,093	4,934	115,514	945,787
China	351,294	220,511	206,049	139,310	291,175
Java	99,976	140,030	109,998	97,458	140,485
Straits	86,873	81,497	108,045	63,497	74,912

Tea.—The sources of supply are China, Ceylon, the Straits, and Java, from which countries the imports in the last five years have been:—

—	China.	Ceylon.	Straits.	Java.	Total.
1893-94 . . lbs.	6,016,244	980,507	360,770	308,333	7,687,757
1894-95 . . .	4,630,327	901,971	413,417	362,366	6,326,122
1895-96 . . .	5,890,052	997,925	399,792	187,438	7,497,703
1896-97 . . .	6,342,962	748,127	431,672	306,328	7,874,832
1897-98 . . .	1,689,564	1,059,716	450,585	291,674	3,515,013

Most of the tea, with the exception of Ceylon tea, is re-exported. The decline in China tea is due to the adoption of the new route *via* Batoum for the supply of the Central Asian market and direct shipments to that port from China.

Metals and Manufactures of Metal.

Hardware and Cutlery.—The value of the imports last year was much less than of 1896-97, and receded to the level of 1895-96:—

	Rx.		Rx.
1893-94 . .	1,380,473	1896-97 .	1,557,742
1894-95 . .	1,332,556	1897-98 .	1,477,811
1895-96 . .	1,483,475		

The proportion of these goods imported from the United Kingdom was 79 per cent. This head is divided into the following sub-heads:—

—	1896-97.	1897-98.
	Rx.	Rx.
(1) Cutlery	46,842*	98,970
(2) Agricultural implements . .	78,179	88,838
(3) Other implements and tools . .	46,793*	130,784
(4) Sewing machines	46,628	32,671
(5) Other kinds of hardware . .	1,339,300	1,126,548

* From November 1896 only.

Germany, Belgium, and Austria-Hungary sent last year nearly 19 per cent of the whole of the hardware and cutlery imported.

Copper.—The imports were on a very reduced scale in 1896-97 as they always are in a year of famine and high prices. Last year there was some revival in the trade, the increase being largest in yellow metal for sheathing, sheets and other manufactures :—

	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.
United Kingdom	433,082	290,133	355,580	143,519	235,628
Belgium	20,510	4,707	54,149	26,429	23,746
Australia	12,304	1,000	7,093	16,574	21,281
Ceylon	2,159	696	493	1,594	18,838
China and Japan	114,995	51,223	48,480	43,321	14,784
Total from all countries	591,109	354,107	471,824	240,895	322,509

Iron and Steel.—The imports for the last five years are :—

Iron.		Steel.	
	Cwt.		Cwt.
1893-94	3,709,617	1893-94	1,039,819
1894-95	3,250,403	1894-95	905,333
1895-96	4,000,246	1895-96	1,702,253
1896-97	3,892,843	1896-97	1,553,181
1897-98	3,945,364	1897-98	1,848,704

There was a rise last year in both cases and notably in steel for which the figures are the highest tabulated. The use of steel for rolled beam, girders, bars, and hooping which were formerly made of iron, is increasing.

The following list includes the descriptions of iron and steel which are most commonly imported and the extent of the trade in each for the last three years :—

	1895-96.	1896-97.	1897-98.
<i>Iron.</i>	Cwt.	Cwt.	Cwt.
Angle, bolt, and rod	757,795	781,613	738,105
Bars	593,426	538,627	538,603
Galvanised	726,430	815,294	764,975
Sheets and plates (including tinned plates)	561,887	485,562	603,445
Pipes and tubes	383,771	353,823	393,330
Beams, pillars, girders, and bridge-work	244,774	153,516	101,407
Pig	201,057	260,958	217,415
Nails, screws, rivets, and washers	211,355	179,725	207,577
Hoop	92,394	89,923	84,226
<i>Steel.</i>			
Bars	598,943	582,745	801,937
Beams, pillars, girders, and bridge-work	*	*	287,482
Sheets and plates	321,511	287,838	278,652
Hoop	223,586	221,743	235,977
Cast	8,516	15,330	25,248

* Not separately enumerated.

The increase in the trade in iron was chiefly in the importations from the United Kingdom, and in steel from Belgium and the United Kingdom.

The figures in the subjoined table illustrate the extent of the competition of Belgium and Germany with England in the supply of both iron and steel to the Indian market (in cwt.) :—

	From United Kingdom.		From Belgium.		From Germany.		From other countries.	
	Iron.	Steel.	Iron.	Steel.	Iron.	Steel.	Iron.	Steel.
1883-84 .	3,473,619	240,149	86,657	10,981	9,411	1,609	13,975	687
1884-85 .	3,423,559	263,433	165,488	24,287	5,209	1,400	8,020	808
1885-86 .	3,322,511	255,871	152,069	20,629	4,146	1,850	14,493	438
1886-87 .	3,102,856	327,744	162,043	19,240	3,922	2,154	11,568	179
1887-88 .	4,077,292	372,824	188,584	42,913	8,148	3,283	47,563	1,907
1888-89 .	3,715,081	456,550	262,436	77,976	11,928	7,063	13,348	799
1889-90 .	2,983,080	385,916	606,544	66,375	5,425	16,099	13,356	6
1890-91 .	3,306,381	462,671	536,076	184,874	13,134	76,235	20,965	1,685
1891-92 .	2,859,753	347,816	776,328	301,573	28,559	123,086	15,849	561
1892-93 .	2,882,578	270,751	1,153,411	283,817	34,727	66,712	25,523	276
1893-94 .	2,320,839	420,158	1,223,332	518,395	102,334	100,188	63,112	1,078
1894-95 .	1,956,721	369,753	1,176,179	448,091	75,264	84,083	42,239	3,406
1895-96 .	2,479,453	710,581	1,379,139	936,498	49,106	52,753	92,548	2,421
1896-97 .	2,420,863	713,914	1,295,585	806,815	58,835	26,031	117,560	6,421
1897-98 .	2,731,451	811,957	1,035,374	1,001,127	38,105	25,061	140,484	10,559

The kinds of each of these metals which were most largely received from each country during the last two years are shewn in the figures appended :—

	1896-97.			1897-98.		
	United Kingdom.	Belgium.	Germany.	United Kingdom.	Belgium.	Germany.
<i>Iron.</i>						
Angle, bolt, and rod Cwt.	137,687	590,915	10,781	220,685	465,845	4,172
Bar "	184,867	296,728	29,086	281,917	220,998	11,614
Beams, pillars, girders, and bridge-work "	55,295	98,217	4	62,607	38,145	7
Galvanised "	899,832	5,263	6	761,802	3,172	...
Hoop "	73,100	16,590	209	60,592	23,070	553
Pipes and tubes "	353,089	2	37	390,407	...	...
Plates and sheets "	171,484	188,482	355	197,153	182,100	49
Tinned plates "	124,967	178	...	223,789	...	55
Nails, screws, rivets, and washers "	51,972	79,659	16,178	70,354	83,209	19,903
<i>Steel.</i>						
Bars "	137,574	435,627	9,354	166,567	629,530	5,044
Hoop "	200,677	17,807	2,756	218,661	12,841	3,374
Plates and sheets "	161,681	124,767	1,390	163,985	114,620	22
Other sorts "	213,982	228,614	12,531	262,744	244,136	16,621

Last year's importations of angle, bolt, and rod iron and steel bars from Belgium greatly exceeded those from the United Kingdom, and there is a close competition between the two countries in bar iron, nails, screws, and rivets, and iron plates and sheets. The English trade has a monopoly of pipes and tubes, and tinned plates and a very long lead in galvanised iron, and iron and steel hopping. It must, however, be remembered that the figures relate to the countries of shipment, and these are not always the countries of production.

Copper, iron, and steel represent 96 per cent of the quantity of all imported metals, iron and steel being about 91 per cent of the whole. The imports of the other metals have been as follow :—

	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.
Brass	12,087	8,764	10,718	9,827	13,198
Lead	121,967	112,550	121,686	123,434	114,283
Quicksilver	2,825	1,077	3,163	2,323	2,323
Tin	45,906	48,425	50,329	36,397	38,628
Zinc	131,531	84,736	89,861	44,830	62,708
Others	6,287	4,592	9,488	10,207	17,657

Machinery and Millwork.—The imports have been :—

	Rx.		Rx.
1893-94 . .	2,518,038	1896-97 . .	3,510,190
1894-95 . .	2,442,433	1897-98 . .	2,861,108
1895-96 . .	3,237,401		

After large imports in the two preceding years the trade declined heavily, the reduction being partly due to the delay in deliveries caused by the engineers' strike of 1897. The importations were distributed as follows :—

	—	1896-97.	1897-98.
		Rx.	Rx.
Bengal . .		1,824,942	1,378,893
Bombay . .		1,229,401	1,014,112
Sind . .		99,088	51,957
Madras . .		252,560	322,143
Burma . .		104,199	94,003

Railway Material.—The importations are as follow :—

	—	For Companies.	For the State.
		Rx.	Rx.
1893-94 . .		1,242,977	1,091,586
1894-95 . .		1,556,967	1,246,216
1895-96 . .		1,520,584	2,019,534
1896-97 . .		2,661,717	2,304,218
1897-98 . .		2,876,451	2,477,228

The extremely large imports during the last three years are the result of extensive construction of new lines by Companies and the State. A shipment of steel rails, valued at Rx. 18,336, was received from the United States owing to lower rates having been tendered than were obtainable in the United Kingdom.

Chemicals, Drugs, Medicines, Narcotics, Dyeing, and Tanning Materials.

	—	Chemicals.	Drugs, Medicines, and Narcotics.
		Rx.	Rx.
1893-94 . .		357,152	771,525
1894-95 . .		412,326	736,785
1895-96 . .		455,546	846,210
1896-97 . .		386,679	772,097
1897-98 . .		456,052	836,886

There was a recovery in both cases from the depression of the previous year.

Dyeing and tanning materials.—Aniline and alizarine dyes, of which the values last year were respectively Rx. 346,081 and Rx. 272,227, represent about 80 per cent of the total value of these imports. In 1896-97 the importation of these dyes was checked by the disorganised state of trade in Western India, but last year with a fall in prices the imports increased :—

	—	Lbs.	Rx.
1893-94 . . .		6,288,265	533,104
1894-95 . . .		5,978,723	552,344
1895-96 . . .		7,765,373	703,900
1896-97 . . .		7,016,177	606,326
1897-98 . . .		7,634,305	618,308

These dyes are imported principally from Belgium and Holland:—

—	1895-96.	1896-97.	1897-98.
	lbs.	lbs.	lbs.
Belgium . . .	4,581,441	4,201,547	3,741,273
Holland . . .	1,151,225	1,314,120	2,278,916
Germany . . .	584,070	483,694	682,448
Italy . . .	336,493	356,861	656,979
United Kingdom . . .	487,588	351,356	165,287
Austria-Hungary . . .	616,827	297,026	102,129

The total value of all the dyeing and tanning materials imported was Rx. 767,606, the imports of descriptions other than mineral dyes being as follows:—

—	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.
Cochineal . . .	31,580	23,042	21,455
Gambier . . .	45,343	43,603	51,394
Indigo . . .	10,024	1,063	227
Saffron . . .	54,187	38,738	60,624
Other sorts . . .	13,858	18,575	15,597

Oils.

Mineral oil.—Imports have been:—

—	Gallons (000's omitted).	Rx.
1893-94 . . .	86,609	3,275,585
1894-95 . . .	53,441	2,122,999
1895-96 . . .	66,648	2,967,400
1896-97 . . .	68,421	3,088,279
1897-98 . . .	87,325	3,651,792

The relative imports of Russian and American oil are as follows (in million gallons):—

—	Russia.	United States.
Total in five years ending 1895-96 .	167·6	150·5
1896-97 .	45·5	19·3
1897-98 .	50·7	26

Langkat oil from Sumatra came into the market in 1896-97 when a little over half a million gallons were imported. Last year the imports rose to 7,540,866 gallons, of which 670,032 gallons were received in bulk. The price of Sumatra oil in Calcutta is now the same as Russian oil, and there is every likelihood of the importations increasing.

The trade in bulk oil is steadily increasing at a rapid rate. About 7 million gallons were received in 1894-95, nearly 10 million gallons in 1895-96, about 14 millions in 1896-97, and last year nearly 22 million gallons, the whole of which, except the small consignment abovementioned from Sumatra, came from Russia. The largest portion of the importations (12·9 million gallons) came to Calcutta, where about half was packed in tins at Budge-Budge, and the remainder despatched in railway tank waggons in bulk to the up-country depôts. The large stocks and the rise in exchange have lowered the prices of both American and Russian oil. Mineral

oil, mainly kerosene, represented last year Rx. 3,651,792 out of Rx. 4,146,566, which was the total value of all kinds of oil imported. The other oils are chiefly cocoanut, linseed, animal, and essential, none of them, except cocoanut, of any importance. The trade in cocoanut oil, which after the imposition of the import duty fell to a very low level, rose in 1896-97 to the high figure of Rx. 271,164, and again last year there was a further extraordinary rise to Rx. 400,879. This may be attributed to the very small quantity available in India owing to the drought of 1896-97.

Raw Materials and Unmanufactured Articles.

Coal.—The imports of coal, coke, and patent fuel have been :—

	Tons.		Tons.
1893-94 . . .	555,280	1896-97 . . .	494,960
1894-95 . . .	823,584	1897-98 . . .	262,403
1895-96 . . .	761,996		

Imported coal is brought chiefly to Bombay and Karáchi. High freights and a larger consumption of Indian coal account for the decline.

The distribution of the imports has been as follows (in tons) in the last three years :—

—	1895-96.	1896-97.	1897-98.
Bombay and Sind . . .	607,723	385,826	186,447
Burma	32,404	28,943	24,980
Madras	112,589	71,315	43,467
Bengal	9,280	8,876	7,509

The production of coal in India in 1897 amounted to 4,063,127 tons, being in the ratio of about $15\frac{1}{2}$ tons locally produced to 1 ton imported.

Cotton.—The imports have been as follows :—

—	Asiatic.	Non-Asiatic.
	Cwt.	Cwt.
1893-94	57,624	36,868
1894-95	19,747	58,230
1895-96	51,474	65,920
1896-97	20,778	36,239
1897-98	16,376	29,837

Cotton is imported chiefly for the Bombay mills. The small exports of Indian cotton left large stocks to satisfy the local demand. Imported Egyptian and American cotton of long staple is used for spinning the higher counts of yarn.

Silk.—The trade was still further restricted than in the previous year :—

—	Lbs.	Rx.
1893-94	2,947,595	1,360,179
1894-95	2,494,496	1,036,533
1895-96	3,030,546	1,232,950
1896-97	2,287,752	875,488
1897-98	2,049,608	669,772

The trade is chiefly with Bombay and suffered through up-country dealers being kept away by the plague. The crop in China was also poor.

The other articles enumerated in this class are all of small importance. The larger of them are here mentioned, with their values (in Rx.) :—

—	1895-96.	1896-97.	1897-98.
Canes and rattans	27,513	32,165	29,768
Gums and resins	130,397	111,010	105,717
Hemp	27,118	29,316	23,680
Hides and skins	88,822	90,475	99,615
Ivory	309,013	214,163	214,926
Precious stones and pearls, unset .	652,351	528,680	450,490
Stick lac	32,510	14,630	8,424
Pitch, tar, and dammer	65,431	49,267	62,818
Seeds	93,183	85,098	75,074
Shells and cowries	43,561	34,366	31,541
Stone and marble	28,900	25,172	38,594
Tallow	14,499	19,916	27,035
Teakwood and other wood and timber	262,284	193,075	175,333
Wool	160,749	140,228	124,384

In the majority of the articles enumerated there was a material decline.

Manufactured Articles.

Cotton yarn.—The imports of cotton twist and yarn in the last decade have been as follows :—

	Lbs.		Lbs.
1888-89	52,587,000	1893-94	42,807,000
1889-90	46,383,000	1894-95	41,483,000
1890-91	50,971,000	1895-96	46,355,000
1891-92	50,404,000	1896-97	50,174,000
1892-93	38,277,000	1897-98	58,291,000

The trade was very active during the latter half of the year and the figures are the highest tabulated. The increase is shared by all the provinces, except Madras, in which there was a decline. The price of yarn fell during the year.

The description of the yarn imported during the last two years are shewn below. The increase last year was most marked in grey yarn of counts from 26 to 30 and in grey and coloured yarn of counts from 31 to 50. In grey yarn of counts above 50 there was a small decline. The high rate of exchange favoured large importations, and heavy unsold stocks remained on hand at the close of the year :—

—	1896-97.		1897-98.	
	Mule.	Coloured.	Mule.	Coloured.
	Lbs.	Lbs.	Lbs.	Lbs.
No. 20 and under	236,823	2,987,434	654,771	3,416,519
„ 21 to 25	6,649	2,725,853	20,500	3,357,609
„ 26 to 30	4,096,284	1,896,419	7,166,082	2,029,436
„ 31 to 50	16,125,939	16,686,356	18,256,979	18,431,078
„ Above 50	1,997,938	811,956	1,936,238	576,431

Cotton goods.—In this country the demand for piece-goods is principally dependent upon the harvest. After the failure of the crops in 1896-97 the heavy imports of that year could find no outlet owing to the prevailing distress and large stocks had to be carried forward, so that the flow of orders to Lancashire was checked. A further depressing effect was exercised by the recrudescence of the plague and the stringency of the money market. With a good monsoon and plentiful harvests prospects have now brightened, but during last year, with the large decrease in the quantity of grey goods imported and the fall in the prices of all kinds, the value of the trade in piece-goods diminished by Rx. 3,461,765, or 13·4 per cent.

That the trade is not progressive, except in one of the smaller of the three main branches into which it is divided, will be apparent from the following figures :—

		Grey (unbleached).	White (bleached).	Coloured, printed, or dyed.
		Yards.	Yards.	Yards.
1888-89	. . .	1,347,299,000	406,492,000	372,457,000
1889-90	. . .	1,257,001,000	339,098,000	400,949,000
1890-91	. . .	1,280,540,000	373,149,000	360,235,000
1891-92	. . .	1,173,176,000	361,395,000	348,117,000
1892-93	. . .	1,092,584,000	376,859,000	339,111,000
1893-94	. . .	1,314,038,000	393,130,000	422,320,000
1894-95	. . .	1,352,272,000	497,332,000	408,072,000
1895-96	. . .	1,066,446,000	333,754,000	314,680,000
1896-97	. . .	1,222,920,000	414,154,000	359,916,000
1897-98	. . .	1,149,480,000	432,732,000	278,886,000

The relative imports of the different descriptions of goods under these three heads are as follow (yards, 000's omitted) :—

Grey.	1896-97.	1897-98.	White.	1896-97.	1897-98.	Coloured.	1896-97.	1897-98.
Jaconets . . .	96,189	100,705	Jaconets . . .	33,057	32,625	Jaconets . . .	5,187	4,963
Mulls . . .	20,211	21,879	Nainsooks . . .	119,890	135,007	Mulls . . .	4,872	3,417
Printers . . .	959	2,138	Mulls . . .	84,980	106,199	Prints and chintz . . .	129,702	102,530
Shirtings . . .	581,226	643,810	Shirtings . . .	69,751	71,056	Shirtings . . .	45,060	38,882
Madapollams . . .	31,337	32,564	Longcloths . . .	2,278	1,885	Drills . . .	5,259	4,766
T-cloths and domes- tics . . .	13,058	15,063	Cambrics, twills, muslins, and lawns	12,044	10,762	Cambrics, twills, and muslins	74,757	61,987
Jeans, sheetings, and drills . . .	22,594	25,856	Chádars, dhutis, sáris, and scarves .	53,172	40,344	Chádars, dhutis, sáris, and scarves .	29,459	22,664
Chádars, dhutis, sáris, and scarves .	455,220	305,864	Drills and jeans .	3,732	3,560			
			Checks, spots, and stripes . . .	5,330	11,733			

It appears from the figures that goods made of medium counts, say from 30s to 40s, constituted last year about 96 per cent of the whole imports of grey goods, thus :—

	1896-97.	1897-98.
	Per cent.	Per cent.
Shirtings, chádars, dhutis, sáris, scarves .	84·7	82·6
Jaconets, mulls, madapollams . . .	12·1	13·5

The proportions of yarn and of piece-goods received in the last five years from the United Kingdom were :—

	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
Yarns . . .	97·2	97·3	96·5	97	96·9
Grey piece-goods . . .	99·8	99·7	99·7	99·5	99
White . . .	98·8	99·2	99·2	99·1	99
Coloured . . .	97·3	97·9	97·7	97·9	96·9

The small quantity not received from the United Kingdom is mainly received from the Continent and from the United States. The trade with the latter country is increasing and the imports therefrom doubled last year.

Besides the three great classes of piece-goods, grey, white, and coloured, referred to above, the principal other kinds of cotton manufactures imported are :—

	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.
Handkerchiefs and shawls in the piece .	199,289	159,544	87,664
Lace and patent net	47,287	45,613	24,507
Hosiery	100,868	196,037	192,753
Sewing thread	160,875	140,479	155,768

The aggregate value of the imports of cotton yarns and woven and other goods in the last five years was :—

	Yarns.	Woven and other goods.	Total.
	Rx.	Rx.	Rx.
1893-94	3,108,941	29,268,528	32,377,469
1894-95	2,851,254	29,822,374	32,673,628
1895-96	2,971,090	22,784,782	25,755,872
1896-97	3,325,871	26,424,304	29,750,175
1897-98	3,493,038	22,901,970	26,395,008

In 1895-96 the value represented about 37 per cent, in 1896-97 41 per cent, and in 1897-98 38 per cent, of the value of all imported merchandise.

The imports of yarns and piece-goods were thus distributed among the Indian provinces in the last two years :—

	1896-97.				1897-98.			
	Yarns.	Piece-goods, yards (000's omitted).			Yarns.	Piece-goods, yards (000's omitted).		
	lb. (000's omitted).	Grey.	White.	Coloured.	lbs. (000's omitted).	Grey.	White.	Coloured.
Bengal	13,349	881,943	165,196	108,444	15,362	766,630	152,271	76,744
Bombay	9,678	215,308	163,256	140,969	11,945	231,895	160,874	103,020
Sind	3,922	61,736	40,450	58,192	5,089	72,012	54,198	43,015
Madras	15,568	58,630	13,749	32,903	15,359	71,077	24,998	28,192
Burma	7,657	5,303	31,503	19,408	10,536	7,866	40,391	27,415

Silk goods.—This trade has fallen to a very low level, following a decline in the previous year. The impoverished condition of the people and the large stocks carried forward from the previous year were a check on fresh importations. The decrease is greatest in Bombay, where the absence of dealers interfered with the trade, but in Burma there was a large increase chiefly in Japan silks. The cheapness of the Japan silks makes them popular, and the number of local hand-printing establishments has increased.

The total value of the trade is :—

	Rx.		Rx.
1893-94	1,827,874	1896-97	1,366,669
1894-95	1,277,420	1897-98	1,149,260
1895-96	1,704,320		

The principal sources from which silk goods were imported were:—

		1896-97.	1897-98.
		Rx.	Rx.
China and the Straits		438,449	387,026
United Kingdom		319,185	264,703
Japan		159,449	241,811
Italy		134,247	93,396
France		129,844	77,319
Belgium		49,792	31,677
Austria-Hungary		75,916	23,562
Germany		29,773	17,944

Flax goods.—More than one-half of these goods, of which the aggregate value is about Rx. 155,500, consists of canvas and about one-quarter of linen piece-goods. The United Kingdom has a virtual monopoly of the trade, but a trifling share goes to Belgium.

Woollen goods.—There was a very heavy decline in all the provinces, except in Burma, where the importations increased by 65 per cent. The large importations of 1896-97 left heavy stocks on hand in the provinces afflicted by the famine, and the trade has suffered from the same causes that affected the other textile fabrics of cotton and silk. The values stand thus in Rx. :—

1893-94	1,892,042	1896-97	1,692,535
1894-95	1,541,639	1897-98	1,148,427
1895-96	1,445,517		

The descriptions of woollen goods, specified in the returns, are:—

		1896-97.	1897-98.
		Rx.	Rx.
Piece-goods		1,198,033	804,931
Shawls		245,013	98,578
Carpets and rugs		46,784	72,199
Braids		52,063	46,748

The statistics of the Indian woollen mills shew a small increase in the industry, which continues to be to a large extent conducted at Cawnpore and at Dhariwal :—

		1896.	1897.
Capital employed	Rx.	325,000	330,000
Persons „	No.	3,017	3,030
Looms	„	530	548
Spindles	„	18,658	19,856
Quantity produced	lbs.	2,345,570	2,653,516
Value of quantity produced	Rx.	249,675	284,378

These mills are extensively employed in work for the police and the army in the manufacture of serges, greatcoats, blankets, and hosiery.

Other manufactured goods.—Of the other articles enumerated in this class the following are the most important. The value of the trade in each of the last five years is here specified :—

—	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.	Rx.	Rx.
Apparel, including boots and shoes	1,578,049	1,435,191	1,594,280	1,516,422	1,226,629
Arms and ammunition, including dynamite and other explosives	265,713	271,041	287,406	259,390	255,780
Books and printed matter	248,635	232,356	241,024	237,246	198,153
Building materials	168,981	167,080	200,902	168,344	205,252
Cabinet-ware and furniture	111,990	89,024	104,085	97,509	67,135
Carriages and carts	93,196	85,004	108,224	224,896	285,659
Candles	151,982	137,899	179,142	109,975	107,884
Clocks and watches	154,554	100,985	136,042	122,728	109,106
Corals, real	167,357	120,637	113,862	73,534	66,848
Earthenware and porcelain	251,596	192,843	231,422	215,100	205,042
Glass and glassware	788,480	619,996	741,078	704,186	576,671
Instruments and apparatus :					
Musical	101,159	91,269	100,214	97,125	81,553
Scientific	131,684	127,121	172,810	180,485	181,175
Jewellery and plate	134,729	95,142	126,988	111,373	121,066
Leather and leather goods, excluding boots and shoes	200,760	178,597	220,878	208,362	185,328
Matches	375,137	367,845	361,433	284,806	417,195
Paints and colours and painters' materials	324,236	299,559	375,577	340,726	326,754
Paper and pasteboard	494,208	347,524	409,983	384,280	332,047
Ships, parts of	45,104	27,619	82,557	139,780	116,841
Soap	121,703	104,766	131,631	117,067	124,371
Stationery	267,771	289,525	334,605	331,880	277,388
Toys and requisites for games	180,399	167,253	184,571	192,445	141,104
Umbrellas	480,933	346,331	344,218	306,948	335,374

With seven exceptions every article in the list declined more or less. The most notable increase is in matches due to insufficient stocks from the low imports of the previous year. The value of the importation from Japan increased by 70 per cent, and this country now furnishes nearly one-third of the supply. The importation of Continental matches also largely increased.

The continuance of the demand for bicycles accounts for the progressive increase in carriages and carts.

The decline in the imports of paper may be partly attributed to the competition of the Indian paper mills. The following figures shew the condition of this industry :—

—		1896.	1897.
Capital employed .	Rx.	627,200	627,200
Persons „ .	No.	3,613	3,532
Outturn .	lbs.	40,707,589	38,581,703
Value of outturn .	Rx.	587,116	568,216

The list appended states in the order of their importance the principal articles of merchandise imported into India:—

	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.	Rx.	Rx.
Cotton goods and yarn	32,377,469	32,673,628	25,755,872	29,750,175	26,395,008
Metals, including hardware and cutlery	7,659,064	6,394,319	8,256,946	7,020,515	7,667,722
Sugar	2,824,190	2,875,297	3,106,813	3,151,829	4,784,479
Oils, chiefly mineral	3,570,188	2,221,222	3,137,420	3,439,150	4,146,566
Railway material	1,242,977	1,556,969	1,520,584	2,661,717	2,876,451
Machinery and millwork	2,518,038	2,442,433	3,237,401	3,510,190	2,861,108
Chemicals, drugs, medicines, narcotics, and dyes	1,837,570	1,866,294	2,160,649	1,890,124	2,060,544
Silk, raw and manufactured	3,188,053	2,313,952	2,937,271	2,242,157	1,819,032
Provisions	1,769,527	1,564,038	1,785,298	1,537,494	1,705,721
Liquors	1,458,204	1,458,180	1,695,828	1,644,944	1,588,494
Apparel	1,578,049	1,435,191	1,594,280	1,516,422	1,226,629
Woollen goods	1,892,042	1,541,639	1,445,517	1,692,535	1,148,427
Salt	791,067	842,193	653,226	628,544	868,718
Spices	873,655	777,106	659,329	604,674	744,773
Grain and pulse	144,972	201,247	125,959	555,456	610,792
Glass and glassware	788,480	619,996	741,078	704,186	576,671
Coal	972,588	1,473,964	1,402,799	979,022	537,352
Precious stones and pearls, unset	154,411	569,099	652,351	528,680	450,490
Matches	375,137	367,845	361,433	284,806	417,195
Umbrellas	480,933	346,331	344,218	306,943	335,374
Paper and pasteboard	494,208	347,524	409,983	384,280	332,047
Stationery	267,771	289,525	334,605	331,880	277,388
Tea	572,006	424,666	493,483	518,420	212,986

General distribution of the import trade.—The total value of the imports of foreign merchandise in the last three years was thus distributed among the principal countries with which the trade is carried on.

The increase in the sugar trade has enabled Germany and Austria-Hungary to improve their position. The decline of China from the second place in 1894-95 to the seventh place in 1897-98 is noticeable:—

	1893-94.		1894-95.		1895-96.		1896-97.		1897-98.	
	Rx.	Per cent.	Rx.	Per cent.	Rx.	Per cent.	Rx.	Per cent.	Rx.	Per cent.
1. United Kingdom	52,001,013	70·3	51,105,757	72·8	47,161,484	68	50,417,501	70·1	46,608,323	67·1
2. Germany	1,714,003	2·3	1,731,453	2·5	2,351,776	3·4	2,307,821	3·2	2,434,519	3·5
3. Straits Settlements	2,524,623	3·4	2,103,158	3	2,075,220	3	1,842,122	2·5	2,409,828	3·5
4. Belgium	2,053,275	2·8	1,866,365	2·7	2,729,646	3·9	2,403,703	3·3	2,284,839	3·3
5. Austria-Hungary	1,371,383	1·9	1,194,115	1·7	1,324,871	1·9	1,487,788	2·1	2,146,793	3·1
6. Russia	1,263,014	1·7	1,007,645	1·4	1,667,558	2·7	2,019,594	2·8	2,030,756	3
7. China	3,542,556	4·8	2,662,958	3·8	2,805,858	4·2	2,149,039	3	1,691,012	2·4
8. Mauritius	1,787,030	2·4	1,961,603	2·8	1,721,339	2·5	1,807,631	2·5	1,688,071	2·4
9. United States	2,016,270	2·7	1,106,441	1·6	1,139,438	1·6	1,466,949	2	1,431,075	2·1
10. Ceylon	696,625	·9	451,821	·6	541,770	·8	682,643	·9	1,071,142	1·5
11. France	1,138,262	1·5	860,430	1·2	978,970	1·4	920,096	1·3	882,796	1·3

CHAPTER II.

EXPORTS OF MERCHANDISE.

I.—*Exports of Foreign Merchandise.*

The figures of the last five years are :—

	Rx.		Rx.
1893-94 . . .	4,431,975	1896-97 . . .	4,033,637
1894-95 . . .	5,057,414	1897-98 . . .	3,751,172
1895-96 . . .	4,717,516		

The trade, of which 74 per cent is concentrated in Bombay and 19 per cent in Karáchi, decreased by 7 per cent, following a decline of 14·5 per cent in the previous year.

The falling off was greatest in tea, refined sugar, ivory, and textile fabrics. There was a large increase in the exports of grain, principally rice, to Arabia, Persia, and African ports, and increased exports of raw wool and provisions, chiefly fishmaws and sharkfins.

The share of the trade with each country is shewn below :—

—	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.
United Kingdom . . .	1,141,803	970,861	1,013,958
Persia	1,101,451	918,893	862,155
East Coast of Africa, Zanzibar, and Mozambique . .	335,284	328,271	394,581
Arabia	413,170	307,087	310,448
Straits	363,877	321,792	269,371
Aden	190,132	156,558	148,585
China	171,187	136,657	144,348
Turkish Arabia . . .	232,798	193,108	137,328
Ceylon	172,376	134,776	100,749
Russia	154,056	169,557	100,650
Mauritius	142,049	102,116	73,885

The principal articles of the trade and their values are :—

—	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.
Articles of food and drink :			
Coffee	46,694	34,081	41,441
Grain and pulse . . .	6,393	7,156	57,673
Provisions	125,415	94,791	112,614*
Sugar (refined) . . .	216,572	227,888	118,939
Tea	861,085	371,233	215,494
Metals and metalware :			
Hardware and cutlery .	81,921	81,270	77,323
Copper	57,705	46,746	36,229
Iron	88,162	82,804	73,490
Chemicals, drugs, medicines, narcotics, and dyes . .	80,086	76,483	84,221
Raw materials :			
Gums and resins . . .	75,587	54,907	58,921
Ivory	96,345	94,261	66,747
Wool	760,819	608,003	644,085
Manufactured goods :			
Apparel	154,111	170,680	144,092
Cotton twist and yarn .	70,717	89,147	103,347
Cotton piece-goods and manufactures . . .	1,804,938	1,377,558	1,312,913
Silk manufactures . .	88,770	79,242	58,315
Woollen manufactures .	57,787	48,877	29,407

II.—Exports of Indian Merchandise.

The figures for the last sixteen years are as follow :—

—	Rx.	Increase or decrease, per cent.	—	Rx.	Increase or decrease, per cent.
1882-83 .	80,598,155	+ 1·7	1890-91 .	95,902,193	— 3·2
1883-84 .	85,085,720	+ 5·5	1891-92 .	103,550,831	+ 7·9
1884-85 .	80,813,208	— 5·6	1892-93 .	101,945,707	— 1·5
1885-86 .	80,734,731	+ 0·5	1893-94 .	102,015,615	+ 0·07
1886-87 .	84,908,994	+ 5·2	1894-95 .	103,757,585	+ 1·7
1887-88 .	86,370,022	+ 1·7	1895-96 .	109,545,624	+ 5·6
1888-89 .	92,642,735	+ 7·2	1896-97 .	99,880,660	— 8·8
1889-90 .	99,101,055	+ 7	1897-98 .	93,786,101	— 6·1

In the following list the principal articles in the trade and their values for the last five years are shewn (in Rx.) :—

—	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
1. Grain and pulse .	16,730,911	17,422,595	18,708,443	13,840,861	14,053,876
2. Jute, raw . . .	8,524,130	10,575,977	9,992,861	10,550,577	10,129,992
3. Cotton, raw . . .	13,296,670	8,703,356	14,090,193	12,970,089	8,871,313
4. Seeds	16,753,251	14,201,520	9,717,431	8,011,680	8,594,100
5. Hides and skins .	5,801,328	6,559,940	7,639,478	7,001,370	8,317,534
6. Cotton yarn and cloth .	6,242,558	7,148,679	8,344,587	8,496,474	8,151,338
7. Tea	6,585,835	7,555,745	7,664,889	8,124,548	8,058,623
8. Opium	8,019,428	9,064,665	8,459,336	8,022,923	6,097,563
9. Jute manufactures .	3,441,787	4,210,834	4,747,443	5,213,930	5,930,856
10. Indigo	4,182,128	4,745,915	5,354,511	4,370,757	3,057,402
11. Coffee	2,002,171	2,122,373	2,198,192	1,585,039	1,519,130
12. Wool, raw	1,079,772	1,376,850	1,355,108	1,241,497	1,356,537
13. Wood and timber .	589,764	661,824	801,897	798,686	1,079,061
14. Lac	960,330	1,406,474	1,833,601	1,399,862	1,070,920
15. Oils, including paraffin wax	535,881	775,016	738,707	608,789	651,675
16. Provisions	468,108	487,409	479,125	519,099	531,667
17. Silk, raw	698,099	502,009	642,169	511,661	514,850
18. Dyes (other than indigo)	841,073	864,490	872,683	638,936	482,047
19. Spices	455,923	516,329	489,509	497,056	471,628
20. Saltpetre	338,102	411,365	535,945	572,164	398,745
21. Sugar	892,741	550,583	574,745	688,549	292,453

The conditions prevailing last year were most disastrous to the export trade which shews a decrease of more than 6 per cent, following a fall of nearly 9 per cent in the previous year. The decline is largest in Bombay which suffered from a virulent recrudescence of the plague in the latter half of the year. The failure of the crops in 1896 had a most prejudicial effect on the export season of 1896-97, the latter part of which fell within the period under review, and the continuance of widespread distress and famine prices until the harvesting of the autumn crops restricted the export of rice and other food-grains. The trade was also seriously hampered by the extreme stringency of the money market in the busy season. The most marked depression is in the important staples of cotton, opium, and indigo, the decreased trade in these commodities and the heavy fall in prices being chiefly due to a falling off in the external demand. The fall in price is marked in many other commodities, and the decline in the value of the exports of jute, shellac, and tea is due solely to this cause. The only remarkable increases are in hides and skins, jute manufactures, and timber, while seeds, wool, and oils shew some recovery from the depression of the previous year.

The increases and decreases in percentages and values in each of the articles mentioned above are given in the subjoined table :—

	1896-97.		1897-98.		
	Increase, per cent.	Decrease, per cent.	Increase, per cent.	Decrease, per cent.	Increase(+), or decrease(-), in lakhs of rupees or Rs. 10,000.
1. Grain and pulse	...	26	1.5	...	+ 21.3
2. Jute, raw	5.6	...	...	4	— 42.06
3. Cotton, raw	...	7.9	...	31.6	— 409.88
4. Seeds	...	17.5	7.2	...	+ 58.24
5. Hides and skins	...	8.3	18.8	...	+ 131.62
6. Cotton yarn and cloth	1.8	...	...	4.1	— 34.51
7. Tea	6	...	...	8	— 6.59
8. Opium	...	5.2	...	24	— 192.54
9. Jute manufactures	9.8	...	13.7	...	+ 71.69
10. Indigo	...	18.4	...	30	— 131.33
11. Coffee	...	27.9	...	4.1	— 6.59
12. Wool, raw	...	8.4	9.2	...	+ 11.5
13. Wood and timber	...	0.4	35.1	...	+ 28.04
14. Lac	...	23.6	...	23.5	— 32.89
15. Oils	...	17.6	7	...	+ 4.29
16. Provisions	8.3	...	2.4	...	+ 1.26
17. Silk, raw	...	20.3	6	...	+ 0.32
18. Dyes (other than indigo)	...	26.8	...	24.5	— 15.69
19. Spices	1.5	...	...	5.1	— 2.54
20. Saltpetre	6.7	...	...	30.3	— 17.34
21. Sugar	19.8	...	...	57.5	— 39.61
					— 603.31

The articles of which the exports decreased are in order of value, raw cotton, opium, indigo, raw jute, sugar, cotton yarn and cloth, lac, saltpetre, dyes (other than indigo), tea, coffee, and spices. The increases were in hides and skins, jute manufactures, seeds, timber, grain and pulse, raw wool, oils, provisions, and raw silk.

The net decrease in all these articles, compared with the exports of 1896-97, is 603.3 lakhs, while the actual decrease in the whole export trade is 609.4 lakhs. The variations in the other articles of smaller importance thus give a net decrease of about six lakhs.

The following is a statement of the prices of the principal articles of Indian export, the prices in 1873 being taken to represent 100 :—

	Cotton, Broach.	Cotton Yarns, 20s.	Rice, Ballam.	Wheat No. 1, Soft White.	Opium (Bengal).	Indigo, Good.	Jute, Picked.	Gunny- bags.	Linseed, Fine, Bold, Clean.	Tea.	Total.
March 1873	100	100	100	100	100	100	100	100	100	100	1000
January 1874	88	100	156	75	105	114	153	88	115	123	1117
" 1875	80	81	138	80	96	109	126	111	108	123	1052
" 1876	85	80	118	84	96	91	141	82	90	136	1005
" 1877	87	90	156	93	97	110	150	95	102	148	1128
" 1878	84	80	168	119	97	88	150	101	106	135	1128
" 1879	78	74	182	116	87	114	153	99	109	129	1141
" 1880	98	81	147	115	94	112	169	89	113	126	1144
" 1881	95	85	109	96	109	105	156	111	104	135	1105
" 1882	90	80	94	97	102	117	137	118	91	126	1052
" 1883	78	74	109	87	91	107	96	98	85	110	935
" 1884	85	74	160	86	93	117	162	106	96	116	1095
" 1885	90	72	138	74	99	103	110	94	98	90	968
" 1886	81	72	149	80	93	107	137	85	101	90	995
" 1887	85	69	166	89	88	70	137	98	101	77	915
" 1888	95	74	115	86	80	82	153	125	95	84	989
" 1889	93	79	144	95	94	93	192	126	112	77	1105
" 1890	95	74	154	84	86	76	197	118	109	63	1056
" 1891	84	70	143	87	79	86	126	93	97	81	946
" 1892	75	65	169	103	79	74	236	132	112	71	1116
" 1893	107	78	180	95	96	114	192	119	128	87	1196
" 1894	84	71	188	80	84	108	241	109	123	52	1140
" 1895	70	67	147	82	117	105	175	110	127	97	1097
" 1896	94	74	151	81	100	105	175	108	115	84	1087
" 1897	76	72	204	152	83	84	203	99	98	64	1135
" 1898	68	63	185	99	80	76	156	85	94	61	967

The prices quoted for rice and wheat are at the end of the period of scarcity and hence the great decline, but the average price last year for both grains was higher than in 1896-97. All the other commodities mentioned in the table also shew a marked fall in price.

Grouping the items as in the trade returns, the values of the trade in each group for each of the last five years are as follows in Rx. :—

	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
1. Animals, living	123,213	137,761	161,053	177,967	141,422
2. Articles of food and drink	27,240,303	28,841,691	30,249,862	25,338,844	25,068,456
3. Metals and manufactures of metal	76,688	88,084	119,148	142,849	138,785
4. Chemicals, drugs, medicines, narcotics, and dyeing and tanning materials	13,683,677	15,428,990	15,564,314	13,907,521	10,366,802
5. Oils	535,881	775,016	738,707	608,789	651,675
6. Raw materials and unmanufactured articles	45,161,402	40,817,891	42,368,127	39,495,063	37,101,481
7. Articles manufactured and partly manufactured	15,194,451	17,668,142	20,344,393	20,209,627	20,317,480

In raw materials there was a decline of 6·1 per cent, the large increase in raw hides and skins failing to compensate for the great contraction of the cotton trade and the fall in the value of jute. In chemicals, drugs, and narcotics the decrease is 25·4 per cent caused by the restricted trade and fall in the values of opium and indigo. Manufactured articles shew an increase, the active trade in jute manufactures and dressed hides more than compensating for the decline in cotton manufactures and shellac.

Articles of food and drink.

Coffee.—The exports have been as follow :—

	Cwt.	Rx.		Cwt.	Rx.
1888-89	365,299	1,884,243	1893-94	278,735	2,002,171
1889-90	239,795	1,489,872	1894-95	281,297	2,122,373
1890-91	233,451	1,454,985	1895-96	290,902	2,198,192
1891-92	311,864	1,998,659	1896-97	210,797	1,585,039
1892-93	296,687	2,066,862	1897-98	225,008	1,519,130

The exports in 1896-97 had sunk to a very low level. In 1897-98 there was a small increase in the quantity exported, but it was still far below the average. Prices declined considerably in sympathy with the great decline in the price of Brazilian coffee caused by over-production, and the value of the exports was lower than in 1896-97.

Rice.—The total exports from each province in each of the last eleven years are given below :—

Export of Rice (husked) in Cwt. (000's omitted).

	Burma.	Bengal.	Madras.	Bombay.	Sind.	Total for India.	Value in Rx.
1887-88	17,879	7,996	1,438	764	72	28,149	9,225,109
1888-89	14,205	6,417	1,538	589	19	22,768	7,845,350
1889-90	18,259	5,992	1,654	799	70	26,774	10,047,331
1890-91	24,581	7,928	1,210	646	109	34,474	12,773,628
1891-92	22,676	8,354	1,018	598	94	32,740	13,296,792
1892-93	18,339	7,201	1,002	716	137	27,395	12,274,252
1893-94	15,601	6,590	1,207	511	111	24,020	10,246,522
1894-95	22,781	7,916	1,663	1,233	129	33,722	13,692,095
1895-96	24,612	7,925	1,140	887	72	34,636	13,430,703
1896-97	19,370	5,053	2,550	811	36	27,820	11,850,261
1897-98	18,002	4,953	2,504	683	130	26,272	11,587,028

The crop of 1896 was very deficient in Bengal and Madras, and a large part of the surplus of the Burma crop was diverted to those provinces to supplement the deficiencies in the food supply. Under the influence of a good monsoon the yield in 1897

was abundant, being more than double the previous year's yield and 20 per cent above the average. The surplus in Burma was the largest on record, but the demand from the distressed tracts of India continued unabated during the first six months of the year. Thus 243,611 tons were shipped to Calcutta and Bombay from December 1896 to March 1897, and 351,297 tons between April and October 1897. Very large shipments were also made to Madras. The price of rice was high, the average being higher than in 1896-97, and the total shipments to foreign countries declined from the low level of the previous year.

The fluctuation of prices in Calcutta and Rangoon is shewn below :—

	CALCUTTA : BALLAM.		RANGOON : NGATSAIN.	
	Per maund.		Per cwt.	
	1896-97.	1897-98.	1896-97.	1897-98.
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
April	3 4 2½	4 9 9	3 10 6	4 3 0
May	3 8 4½	4 14 0	3 14 4	4 13 5
June	3 12 5	5 0 6	3 14 4	5 1 3
July	3 15 7	5 0 10½	3 15 4	5 0 6
August	3 14 6	5 7 4½	4 10 4	5 2 11
September	4 9 1	6 0 3½	5 6 0	4 10 11
October	4 12 3	5 5 8	5 2 5	3 12 5
November	5 2 3	5 4 3	5 2 8	3 15 9
December	5 2 7	5 7 3½	4 0 3	3 13 2
January	4 5 10	3 14 9	4 0 4	3 4 10
February	4 3 9	3 13 7½	4 0 3	3 6 6
March	4 6 5	3 12 4	4 1 3	3 11 8

The countries to which Indian rice was exported in the last five years are these (cwt., 000's omitted) :—

	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
EUROPE :					
United Kingdom	4,917	4,681	5,311	3,839	2,603
Malta	293	540	...	...	...
France	55	55	101	10	10
Egypt	5,520	10,144	10,773	10,046	8,125
Germany	421	754	719	336	200
Other countries	2	347	3	12	116
TOTAL	11,208	16,521	16,907	14,243	11,054
ASIA :					
Ceylon	3,911	4,346	4,656	3,898	4,583
Straits	3,177	4,608	6,410	3,745	3,355
Arabia and Aden	901	1,186	1,024	970	1,113
Japan	...	220	113	...	1,138
Persia and other countries	364	282	538	184	299
TOTAL	8,353	10,642	12,741	8,797	10,488
AFRICA :					
Mauritius, Réunion, and Eastern Coast	2,023	2,548	2,313	2,080	1,656
Cape Colony, Natal, and other countries	231	502	462	554	404
TOTAL	2,254	3,050	2,775	2,634	2,060
AMERICA :					
West Indies	123	291	234 ^a	179	67
South America (chiefly Brazil)	2,019	3,040	1,943	1,914	2,577
Canada	2	82	...	...	...
United States	25	70	...	...	4
TOTAL	2,169	3,483	2,177	2,093	2,648
AUSTRALIA :	36	26	36	53	22

The shipments to European countries fell by 22·4 per cent, but those to Asiatic countries increased by 19·2 per cent. Large supplies went to Ceylon and there was a brisk demand from Japan where the home crop was very poor. The competition of Saigon and Bangkok rice reduced the exports of Burma rice to the Straits, but large shipments were made to Brazil.

Wheat.—The exports of wheat during the last five years were :—

—	From Bengal.	From Bombay.	From Sind.	From Burma and Madras.	Total exports.	Total value.
	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.	Rx.
1893-94	1,037,998	4,700,180	6,418,317	56	12,156,551	5,193,885
1894-95	240,526	1,045,735	5,600,987	543	6,887,791	2,565,271
1895-96	1,011,934	2,797,842	6,192,816	320	10,002,912	3,913,896
1896-97	74,107	1,159,698	676,250	498	1,910,553	836,395
1897-98	75,733	377,594	1,938,912	363	2,392,607	1,341,151

The collapse in trade in the second half of the year 1896-97 continued through the first half of last year. The harvest of 1896-97 was below the average, and with the general prevalence of distress prices ruled abnormally high. From August 1897 the price of wheat in London began to rise, and there was a rapid decline in Karáchi prices from January 1898. A brisk revival of the trade began in March. In the present year with a crop estimated to be 33 per cent above last year's yield and abnormally high prices in Europe the trade has been very active, the exports during the first three months being 11,322,756 cwt. valued at Rx. 6,055,308.

The course of prices during the last two years at the three principal ports was :—

—	KARÁCHI.		BOMBAY.		CALCUTTA.	
	Per candy of 656 lbs.		Per cwt.		Per maund of 82½ lbs.	
	1896-97.	1897-98.	1896-97.	1897-98.	1896-97.	1897-98.
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	R. A. P.	Rs. A. P.
April	26 2 5	30 9 7	4 8 10	5 13 7	3 3 0	4 3 9
May	26 3 0	32 15 0	4 10 8	5 15 5½	3 6 1	4 2 4
June	25 13 6	31 14 5	4 11 1	5 13 2	3 7 2	4 5 0
July	25 10 0	33 8 6	4 11 1	5 14 3½	3 8 3	4 6 4½
August	26 3 0	35 5 2	4 12 3	6 2 8	3 12 0	4 8 1½
September	28 4 0	35 6 6	4 14 6	6 6 3	4 2 5	4 3 5½
October	33 13 7	34 6 6	7 6 6	5 1 11	5 6 0	3 8 6
November	36 10 6	35 1 6	7 14 6	5 3 10	5 5 6	3 9 3
December	36 7 2	35 1 2½	7 15 1	5 2 3	5 3 2	3 8 8½
January	30 12 0	31 11 0	5 6 8	5 2 0½	5 1 6	3 13 0
February	31 2 6	31 1 6	5 7 4	5 1 7½	4 14 6	3 14 1½
March	30 5 6	29 8 9½	5 10 3	4 15 0	4 3 0	3 9 4

Wheat-flour.—The high price of wheat naturally caused a decline in the exports of flour which fell from 67,177,000 lbs. in 1896-97 to 56,592,000 lbs. in 1897-98, a decrease of 15·7 per cent. Flour is sent mainly to Mauritius, Aden, Arabia, Ceylon, and Zanzibar.

Jawár and Bájra and Pulse.—

—	Jawár and Bájra.	Pulse.
	Cwt.	Cwt.
1893-94	752,745	850,635
1894-95	814,269	440,025
1895-96	731,669	742,086
1896-97	652,812	555,942
1897-98	642,560	306,033

With scarcity of food and abnormally high prices prevailing throughout the first half of the year the export of these food-grains was greatly restricted.

The export of barley rose from 19,537 cwt. in 1896-97 to 34,471 cwt. in 1897-98, but in all the other grains there was a decline.

Sugar.—The figures appended shew the exports in the last six years :—

—			Refined.	Raw.
			Cwt.	Cwt.
1892-93	.	.	37,461	798,773
1893-94	.	.	146,946	1,150,635
1894-95	.	.	60,179	958,107
1895-96	.	.	41,934	1,021,832
1896-97	.	.	62,963	1,097,202
1897-98	.	.	37,887	548,895

The exports declined to a very low level and the production was doubtless affected by the drought. It is noticeable that although there were extraordinarily large imports of refined sugar, the price of Indian refined sugar rose during last year. Three-fourths of the quantity exported was sent to the United Kingdom.

Tea.—The exports of the year exceeded those of 1896-97 by about 2½ million pounds, and the total quantity exported was nearly twice as large as the quantity exported twelve years ago, as the figures below show :—

—		lbs. (000's omitted.)	Rx.	—		lbs. (000's omitted.)	Rx.
1886-87	.	78,703	4,727,992	1892-93	.	114,722	6,292,348
1887-88	.	87,514	5,174,440	1893-94	.	126,332	6,585,835
1888-89	.	97,011	5,267,315	1894-95	.	129,099	7,555,745
1889-90	.	103,760	5,277,650	1895-96	.	137,710	7,664,889
1890-91	.	107,015	5,219,233	1896-97	.	148,908	8,124,548
1891-92	.	120,149	5,968,129	1897-98	.	151,452	8,058,623

It is estimated that the production of tea in 1898 is about six million pounds in excess of the production of 1897.

The average prices realised at the auction sales in Calcutta during the last nine years were as follow, in annas and pie per pound. The decline in prices has been continuous since 1894-95 :—

—	1889-90.	1890-91.	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
Orange (and broken orange)									
Pekoe	11-8	11-2½	11-1	13-0½	11-17½	14-0½	11-11½	9-11½	8-9½
Broken Pekoe	9-9	8-10¾	8-7½	11-3½	9-2½	11-8	9-0	8-7½	7-5½
Pekoe	7-5	7-2	7-0½	8-9	7-2½	9-4½	7-3¾	6-9¾	6-0¾
Pekoe fannings	5-7	5-10	5-3½	6-7½	5-7½	7-3½	6-0	5-9½	5-0
Pekoe Souchong	5-7	5-8½	5-3½	6-5½	5-4½	7-2½	5-11	5-5½	4-10½
Broken do.	5-0	5-3½	4-9¾	5-10¾	4-11½	6-8½	5-6½	5-3½	4-6¾
Other low class	4-8	5-2	4-2½	5-0½	4-5¾	5-6	4-11½	4-6½	3-7½

The average price per pound in Calcutta of all qualities for the past four years has been :—

1894-95.		1895-96.		1896-97.		1897-98.	
As.	P.	As.	P.	As.	P.	As.	P.
9	3	8	9	8	8	8	5

The exports were distributed as follows in pounds (000's omitted) :—

—	1895-96.	1896-97.	1897-98.
United Kingdom . . .	123,947	135,457	137,656
Australia	6,775	6,156	6,793
Persia	3,188	1,994	1,464
Turkey in Asia . . .	1,356	1,981	1,337
United States	581	785	930
Russia	456	458	689
Canada	408	823	594
China	111	327	565
Germany	229	267	466

The shipments to the United Kingdom were nearly 91 per cent of the whole. The exports to Australia recovered to the level of 1895-96, but the trade does not progress as might be expected. There was a marked decline in the shipments to Persia and Turkey in Asia, but an increase in the shipments to Russia. These figures, however, indicate a decrease in the shipments of Indian tea for Central Asia of 943,000 lbs. and the land trade *via* Kandahar and Kabul also shews a diminution of 156,000 lbs. The trade with Bajaur, Kashmir, and Ladakh also decreased by 468,000 lbs.

The direct shipments to the United States increased, but there was a greater fall in the consignments to Canada. These countries are, however, largely supplied through the United Kingdom, the exports thence being :—

—	1895.	1896.	1897.
To United States . . .	Lbs. 908,743	Lbs. 902,619	Lbs. 612,574
„ Canada	823,207	905,597	1,134,389

Messrs. Gow, Wilson, and Stanton give the following additional figures for transshipments and exports to North America *via* China :—

—	1895.	1896.	1897.
Transshipments <i>via</i> United Kingdom	Lbs. 2,299,781	Lbs. 3,123,224	Lbs. 3,309,114
Exports <i>via</i> China (about) . . .	40,000	327,333	607,167

The same firm state that the consumption of tea in the United Kingdom was: Indian, 54 per cent; Ceylon, 37 per cent; China, 7 per cent; other kinds, 2 per cent.

The imports of tea into the United Kingdom from India, China, and Ceylon have been (lbs., 000's omitted):—

—	From India.	From Ceylon.	From China.	—	From India.	From Ceylon.	From China.
1884 . . .	63,208	2,211	143,771	1891 . . .	109,638	61,900	62,284
1885 . . .	64,382	4,242	139,673	1892 . . .	111,711	66,042	57,051
1886 . . .	73,467	7,144	145,308	1893 . . .	115,023	72,631	56,209
1887 . . .	84,645	13,062	119,799	1894 . . .	118,380	76,311	43,763
1888 . . .	89,874	22,510	105,735	1895 . . .	123,362	83,448	40,084
1889 . . .	95,384	32,673	88,558	1896 . . .	127,720	94,860	35,300
1890 . . .	101,771	42,491	73,743	1897 . . .	136,221	96,808	28,981

The places of shipment of Indian tea are :—

	—	1895-96.	1896-97.	1897-98.
		Lbs.	Lbs.	Lbs.
	From Bengal . .	130,495,190	143,235,822	145,363,650
	„ Bombay . .	3,940,295	2,413,247	1,983,315
	„ Sind . .	674,795	505,344	845,754
	„ Madras . .	2,510,059	2,690,027	3,242,079
	„ Burma . .	89,866	64,021	17,019
	TOTAL .	137,710,205	148,908,461	151,451,817

There is also a small export from Travancore and Cochin.

Here it may be mentioned that the export of tea-seed from Bengal, mainly to Ceylon, has been in the last three years as follows :—

	—	Cwt.	Rx.
	1895-96 . .	3,232	35,985
	1896-97 . .	4,173	52,825
	1897-98 . .	5,347	87,853

Metals.

The trade in hardware, cutlery, and metals is of little importance. The value of *Manganese ore* exported from the Madras Presidency constitutes nearly one-half of the trade. Last year 68·8 per cent of the quantity exported went to the United Kingdom and the remainder to the United States. The trade in this ore is rapidly increasing, as will be seen from the figures below :—

	—	Cwt.	Rx.
	1892-93 . . .	20,000	800
	1893-94 . . .	33,000	1,320
	1894-95 . . .	128,320	5,133
	1895-96 . . .	455,160	18,206
	1896-97 . . .	946,600	37,864
	1897-98 . . .	1,576,580	63,003

Chemicals, Drugs, Narcotics, and Dyes.

Saltpetre.—The exports have been :—

	—	Cwt.	Rx.
	1893-94 . . .	321,933	338,102
	1894-95 . . .	352,985	411,365
	1895-96 . . .	421,769	535,945
	1896-97 . . .	528,452	572,164
	1897-98 . . .	417,786	398,745

The trade failed to maintain the high level of the two previous years. There was a slackened demand from the United Kingdom, as large stocks of the previous year's shipments remained unsold. Diminished quantities were also shipped to the United States and Germany.

Cinchona bark.—The quantity exported was 3,056,769 lbs., or nearly ten times more than in 1896-97. So large a quantity has not been exported since 1888-89, and the value of the shipments was higher than in any year since 1892-93. The consignments were all from the Madras Presidency to the United Kingdom. About two-thirds of the world's supply is produced in Java where the crop for 1897 was somewhat short, and in Europe there was a sudden and important rise in price.

Opium.—The exports are (number of chests):—

—	From Bengal.	From Bombay.	Total.	Value.
				Rx.
1893-94 . . .	43,593	27,246	70,839	8,019,428
1894-95 . . .	39,778	29,056	68,834	9,064,665
1895-96 . . .	36,390	24,470	60,860	8,459,336
1896-97 . . .	39,527	22,731	62,258	8,022,923
1897-98 . . .	37,846	18,223	56,069	6,097,563

Average price—

—	Bengal.	Bombay.
	Rs.	Rs.
1891-92 . . .	1,059	1,152
1892-93 . . .	1,243	1,200
1893-94 . . .	1,110	1,167
1894-95 . . .	1,331	1,297
1895-96 . . .	1,387	1,394
1896-97 . . .	1,257	1,344
1897-98 . . .	1,029	1,209

The exports were thus distributed (in chests):—

—	1894-95.	1895-96.	1896-97.	1897-98.
China : Hong Kong . . .	30,823	28,527	29,215	28,163
„ : Treaty Ports . . .	20,992	17,090	15,918	13,802
Straits	14,567	12,529	13,090	12,290
Cochin-China	1,400	1,450	2,660	700
Other countries	1,052	1,264	1,375	1,114

There was a reduction in the number of chests sent to all the countries to which shipments are made, but the large decrease against Cochin-China is partly due to shipments during two periods of two calendar years having been included in the official year 1896-97 against only one shipment during 1897-98. Though the dollar price of opium at Hong Kong increased during 1897-98, the fall in the exchange value of the dollar caused a corresponding fall in rupee prices in India. With small shipments induced by the competition of the Chinese drug and unfavourable exchange and the consequent fall in price, the value of the trade diminished last year by Rx. 1,925,360.

Tobacco.—There is a considerable trade in the export of cigars as shewn by the figures for the last five years:—

—	Lbs.	Rx.
1893-94 . . .	549,197	50,629
1894-95 . . .	593,539	60,804
1895-96 . . .	600,940	62,701
1896-97 . . .	557,816	63,781
1897-98 . . .	600,821	67,527

The shipments from Madras amounted to 429,021 lbs. and from Burma to 125,731 lbs. The United Kingdom took 222,850 lbs., and smaller shipments were made to the Straits, Ceylon, Aden, Mauritius, and many other countries.

The export of leaf tobacco declined from 11½ million pounds in 1896-97 to 9¼ million pounds in 1897-98, the decrease occurring in the exports from Bombay to Aden. The bulk of the exports went to the Straits, Aden, and Holland.

Cutch.—The exports are :—

—	Cwt.	Rx.
1893-94 . . .	187,115	337,890
1894-95 . . .	155,032	292,136
1895-96 . . .	183,729	379,611
1896-97 . . .	122,082	239,953
1897-98 . . .	97,187	187,482

With a slack demand for export and a fall in prices the production of cutch was restricted, and the trade sunk to a very low level. No business was done with the United States which in 1896-97 took 6,520 cwt., and the quantity sent to the Straits decreased by nearly 50 per cent.

Indigo.—The exports of the last ten years were :—

—	Cwt.	Rx.	—	Cwt.	Rx.
1888-89 . . .	142,447	3,948,594	1893-94 . . .	131,399	4,182,128
1889-90 . . .	157,116	3,863,084	1894-95 . . .	166,308	4,745,915
1890-91 . . .	118,425	3,073,125	1895-96 . . .	187,337	5,354,511
1891-92 . . .	125,327	3,214,076	1896-97 . . .	169,523	4,370,757
1892-93 . . .	126,703	4,141,179	1897-98 . . .	133,849	3,057,402

The exports from Calcutta and Madras have been as follow in the last nine years (cwt.) :—

—	Calcutta.	Madras.
1889-90 . . .	91,835	53,889
1890-91 . . .	69,819	40,696
1891-92 . . .	98,075	19,718
1892-93 . . .	61,637	47,116
1893-94 . . .	76,398	42,751
1894-95 . . .	106,830	44,974
1895-96 . . .	111,714	62,425
1896-97 . . .	109,001	43,680
1897-98 . . .	71,364	48,165

The season was generally unfavourable, the estimated yield of the crop of 1897 for all India being 10·5 per cent below that of 1896 and 19 per cent below the average. In Behar the crop was the smallest on record for very many years. Notwithstanding the small outturn, prices have ruled very low. The quality of the crop was poor, particularly in Behar where it was grown and manufactured under unfavourable climatic conditions. The high rate of exchange which prevailed throughout the season of the sales and the large stocks held in London and on the Continent tended to still further depress prices. The season opened with an entire absence of speculative demand, to which the news of the invention by the Badische Anilin und Soda Fabrik of artificial indigo, alleged to be absolutely identical with the natural product, contributed not a little. This preparation has, however, been found to

be unsuitable for ordinary dyeing, and it cannot as yet be produced at a sufficiently low cost or in quantities to interfere very much with the consumption of natural indigo. It seems, however, probable that prices may be permanently lowered by the competition of the artificial dye, and it is noticeable that the demand for indigo does not increase in proportion to the amount of dyeing to be done. The future prosperity of the indigo-planting industry may thus depend on improving the quality of the dye by more scientific manufacture and on greater economy in the production.

Of the indigo exported from Calcutta, the United Kingdom took a greatly reduced quantity, namely, 26·7 per cent against 38·4 per cent in the previous year. The Continent of Europe took 39·9 per cent, and large shipments were made to the United States from which there was a steady demand. From Madras the total shipments exceeded those of the previous year, the decline in the exports to the United Kingdom being compensated by increased shipments to Japan and Egypt.

Myrabolams.—The trade which declined in 1896-97, owing to deficient supplies from the Central Provinces and the derangement of trading operations in Bombay, was still further contracted last year when the amount exported was 726,060 cwt., value Rx. 258,949, against 899,372 cwt., value Rx. 361,431, in the previous year. The crop was again below the average.

Oils.

The value of the exports of oils of all kinds is :—

	Rx.		Rx.
1893-94 . . .	535,881	1896-97 . . .	608,789
1894-95 . . .	775,016	1897-98 . . .	651,675
1895-96 . . .	738,707		

The most important descriptions are castor and cocoanut, the figures being :—

	—	Castor.	Cocoanut.
		Gallons.	Gallons.
1893-94 . . .		2,294,644	821,355
1894-95 . . .		2,679,236	2,285,524
1895-96 . . .		2,016,461	2,205,727
1896-97 . . .		1,997,475	1,137,538
1897-98 . . .		1,953,509	1,046,235

The decline in the exports of both castor and cocoanut is attributed to unfavourable seasons, and of the latter the imports have been unusually large and are about $2\frac{1}{2}$ times greater than the exports.

A small trade is done in the exportation of kerosene oil from Burma to the Straits, but owing to the unfavourable exchange it nearly ceased last year. Paraffin wax is also exported to the United Kingdom, the Straits, and Australia. The progress of the trade is shewn in the figures appended :—

	—	Cwt.	Rx.
1893-94 . . .		28,858	50,779
1894-95 . . .		25,458	47,703
1895-96 . . .		34,715	60,162
1896-97 . . .		41,332	76,474
1897-98 . . .		29,670	59,151

Raw Materials and Unmanufactured Articles.

Bristles and fibre for brushes and brooms.—The value of this trade in 1896-97 was Rx. 93,734 and increased last year to Rx. 104,434.

Coal and Coke.—This trade shews rapid expansion. In 1892-93 the exports were less than 16,000 tons and last year they had increased to 212,855 tons. The destination of the exports was:—

—	1896-97.	1897-98.
Ceylon	93,635	105,039
Straits	14,532	85,347
Aden	16,775	8,094
Mauritius	7,757	7,317
Zanzibar	50	2,308
Arabia	50	2,237
Persia	70	1,029
United Kingdom . .	...	117
Turkey in Asia . .	2,550	50

The large increase in the exports to the Straits is attributed to the short supply of coal from Japan, owing to the restricted output of the Japanese collieries and a rise of more than 50 per cent in price. Bengal coal is used extensively in other provinces in place of foreign coal, the quantity exported coastwise to Bombay, Madras, and Burma reaching the large figure of 916,481 tons last year. This trade is somewhat hampered by the insufficiency of railway transport from the coalfields to the seaboard.

Cotton.—The exports of the last sixteen years are given below (cwt., 000's omitted):—

—	Cwt.	Rx.	—	Cwt.	Rx.
1882-83	6,168	16,049,017	1890-91	5,914	16,502,775
1883-84	5,979	14,383,728	1891-92	4,425	10,754,312
1884-85	5,066	13,286,367	1892-93	4,789	12,743,679
1885-86	4,190	10,777,204	1893-94	4,789	13,296,670
1886-87	5,433	13,468,429	1894-95	3,885	8,703,356
1887-88	5,375	14,412,842	1895-96	5,248	14,090,193
1888-89	5,331	15,045,648	1896-97	5,216	12,970,089
1889-90	6,320	18,668,404	1897-98	3,723	8,871,313

The acreage sown with cotton was about one million acres less than the average, the decrease being due in part to the substitution of food-grains for cotton with a view to replenish exhausted food-stocks. The yield, however, was better than in the previous year, when the crop was very poor, and on the whole it approximated to the average. The exports during the latter portion of the export season of 1896-97, that is from April to June, which comes within the year under review, were small, and the export season of 1897-98 was late and the decline in the exports during the financial year 1897-98 is thus greater than is shewn by a contrast of the last two cotton seasons. Still there was a very serious decline last year, and this must be attributed to other causes than the shortness of the supply, as the quantity available for export far exceeded the demand. The shrinkage appears in the exports to Europe and is primarily due to the fall in the price of American cotton caused by an unusually large crop. Dealers refused to accept the unremunerative prices offered for export to Europe and meanwhile Continental spinners were supplying their wants from America, the price of American cotton being then relatively, and during part of November absolutely, cheaper than Indian cotton. The demand from the Far East was good, and the large exports to Japan, though less than in the previous year, are satisfactory. It may be noted that the fall in the quotations of American cotton caused a large increase last year of the imports into Japan from the United States.

The table below shews the principal countries to which Indian cotton has been exported in the last ten years (cwt., 000's omitted) :—

—	1888-89.	1889-90.	1890-91	1891-92.	1892-93	1893-94.	1894-95	1895-96	1896-97.	1897-98.
Japan	...	61	78	401	444	368	465	856	1,499	1,811
Germany	191	486	810	745	915	1,022	692	994	871	586
Italy	781	957	824	588	709	670	565	662	668	501
Belgium	873	942	907	670	684	824	468	748	631	394
Austria-Hungary	755	741	719	548	594	616	403	717	538	334
United Kingdom	1,776	2,166	1,520	710	528	521	333	644	379	206
France	549	635	689	509	537	472	269	465	382	177
China	139	125	119	110	46	4	29	60	163	150

Hides and Skins.—The exports are :—

—	Hides.		Skins.	
	No.	Rx.	No.	Rx.
1892-93	6,739,740	1,761,469	8,477,905	876,703
1893-94	7,409,879	1,948,482	6,370,835	618,968
1894-95	8,050,886	2,088,918	7,674,551	790,658
1895-96	8,244,530	2,610,344	8,173,037	1,017,949
1896-97	7,427,943	2,541,044	6,310,988	693,532
1897-98	10,072,470	3,374,932	9,842,409	1,119,365

The abatement of the plague at Karáchi and the withdrawal of the prohibition imposed by foreign countries on the importation of hides removed the embarrassment to the trade experienced in 1896-97. There was a brisk demand from the Continent of Europe and the United States for both hides and skins, and with the plentiful supply provided by a year of drought and famine there was an increase in the value of both heads, as compared with 1896-97, of Rx. 1,259,721, this being by far the largest individual increase in the export trade of the year.

Jute.—The exports in the last sixteen years were as follows (cwt., 000's omitted) :—

—	Cwt.	Rx.	—	Cwt.	Rx.
1882-83	10,249	5,846,926	1890-91	11,986	7,602,010
1883-84	7,013	4,592,635	1891-92	8,532	6,848,493
1884-85	8,369	4,661,368	1892-93	10,537	7,944,223
1885-86	7,782	4,355,362	1893-94	8,690	8,524,130
1886-87	8,307	4,869,815	1894-95	12,977	10,575,977
1887-88	9,643	6,040,379	1895-96	12,267	9,992,861
1888-89	10,553	7,897,154	1896-97	11,464	10,550,577
1889-90	10,256	8,639,861	1897-98	15,023	10,129,992

The area sown with jute in 1897 was about 2 per cent less than in the previous year, but the estimated yield was above the average. The season was very favourable and the very large crop harvested exceeded expectations. The quantity exported is the highest on record, being 31 per cent more than in 1896-97. The quality was good at first, but fell off very much later in the season, and with the large quantities on the market prices declined heavily, the average price for the year in Calcutta being Rs. 6-11-10 per cwt. against Rs. 9-3-3 per cwt. in 1896-97, which was however a year of high prices. Notwithstanding the large increase in the quantity exported the fall in prices reduced the value of the exports to 4 per cent below the level of 1896-97.

The destination of the jute has been as follows in the last five years (cwt., 000's omitted) :—

—	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
United Kingdom . . .	5,469	6,842	7,334	6,749	8,125
Germany	1,171	2,380	1,755	1,823	2,708
United States	854	2,167	1,577	1,272	2,174
France	335	558	545	572	722
Austria-Hungary . . .	297	423	373	238	536
Italy	255	363	344	334	511
Spain	125	179	196	127	216

Manures.—These consist almost entirely of animal bones. The exports during the last five years have been :—

—	Tons.	Rx.
1893-94	51,390	280,804
1894-95	79,723	478,557
1895-96	79,402	460,404
1896-97	76,293	423,207
1897-98	72,664	395,250

The principal destination of the manures last year was :—

	1897-98. Tons.
United Kingdom	34,813
Germany	16,062
France	10,347
Ceylon	4,589
Belgium	4,212

Mica.—The exports last year were 11,608 cwt., value Rx. 106,857, destined mainly for the United Kingdom and the United States.

Oilcake.—The trade has expanded greatly during recent years, but last year there was a great contraction :—

—	* Cwt.	Rx.
1893-94	469,866	140,378
1894-95	461,876	140,266
1895-96	557,734	175,055
1896-97	603,067	191,767
1897-98	414,507	138,373

Rice-bran.—This is produced in the rice-mills of Burma. The exports of the last three years have been :—

—	Tons.	Rx.
1895-96	92,017	208,926
1896-97	102,416	255,551
1897-98	118,491	268,490

Seeds.—Exports—

—	Cwt. (000's omitted.)	Rx.	—	Cwt. (000's omitted.)	Rx.
1884-85 . . .	18,251	10,745,203	1891-92 . . .	19,164	12,208,458
1885-86 . . .	17,280	9,948,350	1892-93 . . .	16,509	11,631,015
1886-87 . . .	15,866	9,198,560	1893-94 . . .	24,229	16,753,251
1887-88 . . .	16,060	9,385,024	1894-95 . . .	20,887	14,201,520
1888-89 . . .	15,570	9,561,756	1895-96 . . .	13,672	9,717,431
1889-90 . . .	15,795	10,627,553	1896-97 . . .	11,398	8,011,680
1890-91 . . .	14,799	9,343,252	1897-98 . . .	12,553	8,594,100

The trade in the principal kinds of oilseeds was as follows in the last five years (cwt., 000's omitted) :—

—	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
Castor	1,108	1,175	1,048	998	1,059
Earthnuts	1,537	2,267	1,118	486	45
Linseed	10,245	9,016	5,629	5,350	4,683
Poppy	846	586	738	865	778
Rape	7,319	4,754	2,250	1,889	3,560
Til or jinjili	2,424	2,325	2,461	1,587	2,011

There was an improvement on the trade of 1896-97, but it still remained at a low level. The seasons have been unfavourable, and last year less land was planted with seeds as food-crops were more extensively grown. The exports of linseed, of which the yield was poor, sank to a lower level, but there was a large and satisfactory increase in rape and sesamum (til or jinjili). The very large decline in earthnuts which occurs in the exports to France is probably due, as explained in last year's review, to soap-makers having found cotton-seed oil an efficient substitute for ground-nut oil.

Silk.—Exports are as follow, in lbs. (000's omitted) :—

—	Reeled.	Chasam (waste).	Cocoons.	Total value in Rx.
1893-94	613	1,081	77	698,099
1894-95	511	794	26	502,009
1895-96	708	1,072	12	642,169
1896-97	595	899	1	511,661
1897-98	622	1,038	2	514,850

There was a large increase in the shipments to the United Kingdom and a decrease in the shipments to France. The produce of wild worms, tasar, munga, eria, and other wild silk included in last year's exports was :—

—	lbs.	Value in Rx.
Reeled silk	67,821	27,271
Chasam or waste	325,420	16,721
Cocoons	1,142	285

Teak timber.—Exports in the last five years :—

—	Cubic tons.	Rx.
1893-94	45,964	457,447
1894-95	56,495	570,130
1895-96	63,516	670,974
1896-97	64,221	686,483
1897-98	81,866	954,652

There was a brisk demand for teak throughout the year and largely increased quantities were shipped to the United Kingdom, Ceylon, and Egypt. Siamese teak to the extent of 13,382 cubic tons was imported into India, but its competition with Indian teak in foreign markets does not appear to have damaged the Indian trade.

Wool.—Exports in the last five years :—

		lbs. (ooo's omitted.)	Rx.
1893-94 . . .		24,249	1,079,772
1894-95 . . .		31,150	1,376,850
1895-96 . . .		31,042	1,355,108
1896-97 . . .		28,433	1,241,497
1897-98 . . .		30,893	1,356,537

With a revival of the trade in Bombay and Karáchi which was injuriously affected in the second half of 1896-97 when the plague scare was at its height, the exports recovered to the level of 1895-96. The United Kingdom has practically a monopoly of the trade. The only other customers of any importance in the trade are Japan and France, and to the former the exports increased by 77 per cent last year.

Articles Manufactured and partly Manufactured.

The following figures indicate the relative proportions of each principal class of manufactures in the last five years :—

	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.	Rx.	Rx.
Cotton yarn and goods . . .	6,242,558	7,148,679	8,344,587	8,496,474	8,151,338
Jute goods	3,441,787	4,210,834	4,747,443	5,213,930	5,930,856
Tanned hides and skins . . .	3,233,877	3,680,364	4,011,185	3,766,794	3,823,237
Lac	952,149	1,394,908	1,826,206	1,383,245	1,060,664
Coir goods	213,782	222,461	313,126	240,031	273,419
Woollen goods	146,662	151,342	182,885	202,032	223,899
Apparel	130,197	178,169	208,283	190,790	164,136
Silk goods	242,417	167,198	183,399	159,841	126,041

Cotton yarn.—The exports of the last ten years have been :—

	lbs. (ooo's omitted.)	Rx.		lbs. (ooo's omitted.)	Rx.
1888-89	128,907	5,207,100	1893-94	134,066	4,974,133
1889-90	141,950	5,743,732	1894-95	158,854	5,672,024
1890-91	169,275	6,543,364	1895-96	184,362	6,730,836
1891-92	161,253	5,771,033	1896-97	195,996	7,173,108
1892-93	189,175	6,773,482	1897-98	199,946	6,966,832

The trade in yarn was on a large scale in 1896-97, notwithstanding the check on production in the last quarter of the year caused by the outbreak of the plague in Bombay. The exports for last year shew a further advance in quantity, but owing to a fall in prices the value declined by nearly 3 per cent.

Cotton piece-goods.—The exports of cotton piece-goods (grey, white, and coloured) in the same period of the years have been :—

—	Yards. (000's omitted.)	Rx.	—	Yards. (000's omitted.)	Rx.
1888-89 . . .	70,244	1,083,222	1893-94 . . .	72,715	1,173,698
1889-90 . . .	59,462	911,179	1894-95 . . .	85,644	1,371,838
1890-91 . . .	67,639	1,040,414	1895-96 . . .	92,662	1,498,963
1891-92 . . .	73,351	1,132,182	1896-97 . . .	74,577	1,203,841
1892-93 . . .	79,678	1,222,349	1897-98 . . .	62,252	1,064,889

The exports which decreased by 19·7 per cent in 1896-97 shew a further falling off of 11·5 per cent last year.

The following facts regarding the production of the mills are taken from returns obtained under the Cotton Duties Act, where that Act is in force and from such of the Native States as have imposed excise duties on cotton manufactures.

Production of yarn.—

—	—	No. 20 and lower counts.	Counts above No. 20.	Total.
		lbs.	lbs.	lbs.
1. Madras	1896-97 *	26,180,993	3,138,333	29,319,326
	1897-98 .	29,073,734	3,441,711	32,515,445
2. Bombay	1896-97 .	256,157,728	46,137,235	302,294,963
	1897-98 .	271,430,889	53,218,295	324,649,184
3. Bengal	1896-97 .	40,752,782	1,354,211	42,106,993
	1897-98 .	43,567,711	938,914	44,806,625
4. North-Western Provinces and Oudh, including Ajmere-Merwara.	1896-97 .	21,561,079	987,394	22,548,473
	1897-98 .	25,999,123	747,730	26,746,853
5. Panjab	1896-97 .	5,083,191	231,643	5,314,834
	1897-98 .	6,393,235	213,684	6,606,919
6. Central Provinces . . .	1896-97 .	14,802,956	2,808,855	17,611,811
	1897-98 .	15,717,622	2,616,698	18,334,320
7. Hyderabad Assigned Dis- tricts and Native States (Indore, Baroda, Nund- gaon, and Mysore) . . .	1897-98 .	7,570,663	1,365,821	8,936,484
TOTAL	1897-98 .	400,052,977	62,542,853	462,595,830

In all provinces there was an increased production last year. The production of the Bombay mills was on a very reduced scale during the last quarter of the year 1896-97, owing to the exodus from the city caused by the outbreak of the plague, but with the abatement of the epidemic the industry recovered in the second quarter of last year and notwithstanding the recrudescence of the disease in the third quarter of the year the improvement was fairly maintained. The increase in Bombay is largest in the spinning of counts higher than No. 20. Madras and Berar also shew an increase in the spinning of the higher counts, but in all the other provinces there is a decrease in the higher counts and an increase in No. 20 and lower counts.

The Bombay mills produced 85 per cent of the yarn of counts above No. 20 and 70 per cent of the whole production of yarn. Bengal produced 9·6 per cent, Madras 7 per cent, the North-Western Provinces and Ajmere nearly 6 per cent, and the Central Provinces about 4 per cent.

Production of woven goods.—The production of woven goods during the last two years was :—

		Grey goods.	Other goods.	Total.
		lbs.	lbs.	lbs.
1. Madras	1896-97 .	4,897,099	388,070	5,285,169
	1897-98 .	4,192,506	1,128,275	5,320,781
2. Bombay	1896-97 .	60,647,787	6,375,979	67,023,766
	1897-98 .	67,174,303	6,307,261	73,481,564
3. Bengal	1896-97 .	277,305	4,966	282,271
	1897-98 .	53,668	9,598	63,266
4. North-Western Provinces and Oudh, including Ajmere-Merwara.	1896-97 .	2,888,824	...	2,888,824
	1897-98 .	3,042,991	...	3,042,991
5. Panjab	1896-97 .	873,146	...	873,146
	1897-98 .	1,007,519	14	1,007,533
6. Central Provinces .	1896-97 .	3,990,849	1,071,033	5,061,882
	1897-98 .	4,434,336	625,956	5,110,292
7. Hyderabad Assigned Districts and Native States (Indore, Baroda, Nundgaon, and Mysore) .	1897-98 .	3,179,840	81,384	3,261,224
TOTAL	1897-98 .	83,135,163	8,152,488	91,287,651

The Bombay mills produced 80 per cent of the total quantity of woven goods, and Madras and the Central Provinces each produced nearly 6 per cent. Grey goods constituted about 91 per cent of the total production. The proportion of woven goods other than grey goods was highest in Madras, where it increased last year to 21 per cent. In the Central Provinces the proportion was nearly 13 per cent and in Bombay 9 per cent.

The distribution of the exports of yarns and piece-goods in the last three years has been as follows :—

	Yarn, lbs (000's omitted.)			Piece-goods, yards. (000's omitted.)		
	1895-96.	1896-97.	1897-98.	1895-96.	1896-97.	1897-98.
China	174,710	186,073	189,472	21,492	14,506	4,802
Straits	3,964	4,634	4,440	7,538	7,302	6,765
Japan	1,208	635	354	69	32	3
Aden	1,573	1,551	2,053	15,345	11,498	14,921
Asiatic Turkey	734	1,199	943	3,034	2,948	1,808
Java	247	286	394	57	73	12
Arabia	511	463	583	3,506	2,711	2,786
Persia	993	748	1,145	1,639	1,678	1,240
East Coast of Africa (mostly Mozambique and Zanzibar)	115	82	138	20,503	20,901	18,611
Abyssinia	...	...	...	6,337	4,645	218
Ceylon	46	89	103	6,823	5,523	7,737
Mekran and Sonmiani . .	1	1	...	1,731	858	1,146
Other countries	260	235	371	4,488	1,902	2,208

The export of yarn to China increased, though with a fall in prices the value diminished; and the trade in piece-goods shews a very serious decline. This decrease is not peculiar to the trade with India, as the fall in exchange and heavy stocks greatly depressed the entire piece-goods trade of China during 1897. Chinese manufactures also appear to be supplanting the inferior qualities of plain goods of foreign manufacture. There was a marked decrease in the export of piece-goods to East Africa, but an increase in the trade with Aden and Ceylon.

The following figures shew the proportion of the different kinds of piece-goods in the export trade (yards, 000's omitted):—

—	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
Grey (unbleached)	57,761	68,385	75,264	59,628	45,243
White (bleached)	142	297	146	225	277
Coloured, printed, or dyed . .	14,812	16,962	17,252	14,724	16,732

The total value of the yarns exported amounted to Rx. 6,966,832, the exports from Bombay being represented by a value of Rx. 5,947,783, or 85 per cent of the whole.

The value of the cotton goods exported amounted to Rx. 1,184,506, the proportion shipped from Bombay amounting to Rx. 618,512 or 52 per cent. Madras does a considerable trade in these goods (especially in dyed goods), the value of the trade of that province being Rx. 527,501 or 44·5 per cent of the whole.

The progress of the spinning and weaving industry in the last six years is shewn in the table appended.

—	Number of mills.	Number of spindles.	Number of looms.
1892-93	130	3,378,303	26,317
1893-94	137	3,539,681	29,392
1894-95	143	3,711,669	34,161
1895-96	147	3,844,307	37,278
1896-97	154	3,975,719	37,303
1897-98	163	4,175,124	36,946

The mills are thus located:—

—	Mills.	Spindles.	Looms.
Bombay Presidency	114	2,933,756	28,808
Bengal (suburbs of Calcutta) . .	10	379,082	200
Madras "	11	274,254	1,705
North-Western Provinces	6	221,990	1,638
Panjab (Delhi)	4	46,932	406
Central India (Indore)	1	26,296	468
Central Provinces	6	124,610	1,708
Ajmere-Merwara "	1	12,312	250
Hyderabad	3	52,476	623
Berar	1	18,900	248
Mysore	2	30,872	248
Pondicherry	3	28,644	644
Travancore	1	25,000	...

About 148,000 persons are stated to have been employed in the mills at the end of 1897-98, and the capital invested is returned at over Rx. 14,242,000; but this statement of capital is imperfect, the figures being confined to mills worked by joint-stock companies.

The Bombay Presidency contains 70 per cent of the spinning and 78 per cent of the weaving capacity of the Indian mills. Out of the 114 mills in that province 69 are located in the city and island of Bombay. These 114 mills employ an average of

about 98,000 persons daily. The capital invested in such of them as are owned by joint-stock companies is Rx. 9,645,000.

Jute.—The value of the exports of manufactured jute in the last ten years has been :—

—	Rx.	—	Rx.
1888-89 . . .	2,571,478	1893-94 . . .	3,441,787
1889-90 . . .	2,791,242	1894-95 . . .	4,210,834
1890-91 . . .	2,481,961	1895-96 . . .	4,747,443
1891-92 . . .	2,513,100	1896-97 . . .	5,213,930
1892-93 . . .	3,237,993	1897-98 . . .	5,930,856

The exports of gunny bags and cloth have been as follow (000's omitted in both cases):—

—	Bags. No.	Cloth. Yards.	—	Bags. No.	Cloth. Yards.
1888-89 . . .	99,791	15,161	1893-94 . . .	131,267	60,670
1889-90 . . .	97,416	37,144	1894-95 . . .	143,444	103,117
1890-91 . . .	98,749	29,854	1895-96 . . .	168,247	114,181
1891-92 . . .	106,251	37,289	1896-97 . . .	165,946	169,410
1892-93 . . .	123,975	40,060	1897-98 . . .	197,620	242,951

The expansion in the trade in gunny cloth is remarkable. In five years the value of the exports has increased from Rx. 563,018 to Rx. 2,141,605, and last year it represented 36·1 per cent of the whole. The exports of gunny bags have increased in the same period from Rx. 2,870,624 to Rx. 3,716,546. The noticeable advance in last year's exports may be attributed to the larger amount of machinery at work in India, the cheapness of raw jute, and a fall in the price of the manufactures.

. The destinations of the bags have been (number, 000's omitted):—

—	1896-97.	1897-98.
United Kingdom	27,885	39,370
United States	22,910	39,005
Australia	21,852	30,336
Straits	20,235	16,096
Germany	8,468	12,839
South America	15,051	11,690
China	9,028	10,123
Egypt	7,660	7,282
Cape Colony	5,954	4,852
Belgium	3,791	4,752
Asiatic Turkey	4,765	3,760
Mauritius	2,882	2,619
Natal	2,390	2,262
Sandwich Islands	1,261	2,192
Other countries	11,814	10,442

The principal destinations of the cloth in the last two years have been :—

—	1896-97. Million yards.	1897-98. Million yards.
United States	111·6	179·1
South America	26·6	34
United Kingdom	23·8	18·7
China	3·8	4·8

The statistics of the mill industry in Bengal are:—

	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
No. of mills	26	27	27	30	33
„ of looms	9,417	9,875	10,406	12,611	13,444
„ of spindles	189,080	197,533	212,581	254,596	265,249
„ of persons employed—daily average.	67,931	73,725	77,618	90,374	88,222
Nominal capital (figures incomplete) Rx.	3,444,930	3,656,225	4,000,875	4,366,225	4,567,500

Silk manufactures.—This trade is subject to fluctuations and in the last two years has been much depressed:—

	Rx.		Rx.
1893-94	242,417	1896-97	159,841
1894-95	167,198	1897-98	126,041
1895-96	183,399		

Woollen manufactures.—The trade shews steady progress. The exports of carpets and rugs were chiefly to the United Kingdom, the United States, and Ceylon. The recorded value of shawls exported was Rx. 15,918 last year, the principal destination being Persia. These articles are also exported by post, and of such consignments there is no record. The value of the exports has been (in Rx.):—

	Carpets and rugs.	Other sorts.	Total.
1893-94	...	...	146,662
1894-95	115,634	35,708	151,342
1895-96	154,153	28,732	182,885
1896-97	182,392	19,640	202,032
1897-98	203,704	20,195	223,899

Tanned Hides and Skins.—The exports are:—

	Cwt.	Rx.
1893-94	266,465	3,233,877
1894-95	315,035	3,680,364
1895-96	367,721	4,011,185
1896-97	341,726	3,766,794
1897-98	366,195	3,823,237

The trade was very large especially in hides, which go almost entirely to the United Kingdom. A decline in the export of skins was due to decreased shipments to the United States, the chief customer after the United Kingdom.

Lac.—The heavy fall in prices in 1896-97 was followed by a still greater decline last year, and thus though the quantity exported was unprecedentedly large, the value of the trade last year was 23 per cent smaller than in 1896-97, and nearly 42 per cent smaller than in 1895-96.

	Cwt.	Rx.
1893-94	121,417	952,149
1894-95	159,238	1,394,908
1895-96	201,671	1,826,206
1896-97	203,757	1,383,245
1897-98	216,462	1,060,664

Coir goods.—There was a recovery from the depression of the previous year :—

		Cwt.	Rx.
1898-94		227,222	218,782
1894-95		237,827	222,461
1895-96		323,220	313,126
1896-97		253,681	240,031
1897-98		277,194	273,419

Of other manufactured articles the following may be mentioned, with their value :—

	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.
Apparel	171,617	154,648	127,091
Boots and shoes	36,666	36,142	37,045
Works of art	22,556	21,271	22,573
Books and printed matter	40,886	37,482	35,525
Cabinetware and furniture	48,094	43,884	35,930
Cordage and rope	43,444	53,059	50,590
Jewellery and plate	39,904	34,261	35,812
Leather	12,054	19,638	47,964
Paper	5,659	11,606	9,545
Perfumery	14,171	10,205	15,605
Toys and requisites for games	25,488	19,722	13,241
Wood	28,790	42,525	52,327
Articles exported by post	171,465	184,875	171,183

General distribution of the export trade.—The total value of the exports of Indian produce and manufactures in the last three years was thus distributed among the principal countries with which the trade is carried on :—

	1895-96.		1896-97.		1897-98.	
	Rx.	Per cent.	Rx.	Per cent.	Rx.	Per cent.
1. United Kingdom	35,000,899	= 21·9	31,646,304	= 31·7	29,196,201	= 31·1
2. China	13,778,103	12·6	13,681,925	13·7	12,082,642	12·9
3. Germany	8,054,374	7·3	7,535,579	7·5	7,181,595	7·6
4. United States	5,907,555	5·4	4,813,706	4·8	5,874,709	6·3
5. France	8,664,871	7·9	6,355,496	6·4	5,627,199	6
6. Straits Settlements	5,845,931	5·3	5,007,998	5	4,293,598	4·6
7. Japan	2,789,436	2·5	4,075,886	4·1	4,157,981	4·4
8. Ceylon	3,500,082	3·2	3,109,983	3·1	3,997,789	4·3
9. Egypt	5,175,741	4·7	4,853,561	4·8	3,947,339	4·2
10. Belgium	3,941,490	3·6	3,052,888	3·1	3,027,958	3·2
11. Italy	3,122,050	2·8	3,027,963	3	2,674,166	2·8
12. Austria-Hungary	3,344,489	3·5	2,496,685	2·5	2,101,259	2·2
13. South America	1,182,021	1·8	1,436,142	1·4	1,712,047	1·8
14. Australia	1,213,368	1·1	1,178,876	1·2	1,235,866	1·3
15. Mauritius	1,092,737	1	1,125,926	1·1	1,124,202	1·2

With Europe the trade has been :—

	1895-96.	1896-97.	1897-98.	Decrease in 1896-97 compared with 1895-96.	Decrease in 1897-98 compared with 1896-97.
	Rx.	Rx.	Rx.	Per cent.	Per cent.
United Kingdom	35,001,000	31,646,000	29,196,000	9·6	7·7
Continent	28,725,000	23,637,000	21,402,000	17·7	9·2

CHAPTER III.

TRADE WITH COUNTRIES.

In the subjoined table are given the figures of the trade (merchandise only) with the several divisions of the world during the last five years :—

—	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.	Rx.	Rx.
Europe	128,495,306	120,510,244	122,366,228	116,971,638	109,224,397
Africa and adjacent islands .	9,087,008	10,623,435	10,937,211	10,806,980	9,251,724
Asia	34,830,544	37,382,399	40,342,744	38,465,249	37,715,925
America	6,724,435	8,892,135	8,481,110	7,942,827	9,193,877
Australia	1,267,254	1,574,224	1,452,242	1,642,300	1,571,470
TOTAL .	180,404,547	178,982,427	183,579,535	175,828,994	166,957,393

There was a satisfactory increase of the trade with North and South America, but the trade with Europe and other Continents shews a serious contraction.

The following table shews the value of the merchandise interchanged in the last five years with the principal countries with which we have commercial relations :—

—	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.	Rx.	Rx.
1. United Kingdom .	86,644,115	84,939,773	83,304,186	83,034,667	76,818,482
2. { China—Hong Kong .	9,087,975	9,882,270	9,967,564	9,799,221	8,987,167
„ Treaty Ports .	5,583,903	5,476,135	6,787,583	6,168,451	4,930,835
3. Germany	9,362,511	9,455,115	10,442,539	9,854,652	9,622,960
4. United States	5,376,091	6,948,838	7,053,334	6,285,447	7,307,170
5. Straits Settlements .	7,366,762	7,732,042	8,285,028	7,171,912	6,972,797
6. France	11,832,573	9,542,135	9,657,413	7,288,228	6,525,574
7. Belgium	7,780,248	5,661,907	6,682,877	5,463,286	5,324,077
8. Ceylon	3,916,664	3,901,982	4,214,228	3,927,403	5,169,680
9. Japan	1,663,265	1,970,377	3,236,576	4,641,570	4,707,977
10. Austria-Hungary . .	4,320,831	3,637,481	4,675,377	3,991,251	4,252,642
11. Egypt	3,893,999	4,951,332	5,457,849	5,076,570	4,160,858
12. Italy	4,022,991	3,338,342	3,561,214	3,534,577	3,197,906
13. Mauritius	3,117,690	3,363,449	2,956,125	3,035,673	2,880,658
14. Russia	1,928,341	1,487,831	2,269,474	2,445,822	2,290,463
15. Persia	2,571,325	3,174,753	2,587,236	2,021,994	2,096,023
16. South America . . .	1,192,796	1,626,464	1,185,381	1,437,100	1,715,535
17. Arabia	1,445,174	1,755,016	1,829,991	1,585,708	1,674,232
18. Australia	1,267,254	1,574,224	1,452,242	1,642,300	1,571,470
19. Zanzibar, Mozambique, and other ports on the East Coast of Africa	1,188,118	1,320,791	1,360,673	1,374,737	1,349,775
20. Aden	1,135,761	1,221,926	1,077,375	1,077,474	1,150,138
21. Turkey in Asia . . .	1,149,143	1,359,629	1,249,188	1,100,333	892,931
22. Holland	1,687,311	1,600,221	995,949	838,808	588,046

The trade (merchandise and treasure) with gold standard and silver standard countries in the last five years was :—

—	Gold standard.	Per cent.	Silver standard.	Per cent.
	Rx.		Rx.	
1893-94	157,196,854	= 77	45,657,686	= 23
1894-95	149,851,073	= 76	46,848,388	= 24
1895-96	151,132,344	= 75	50,038,477	= 25
1896-97	145,902,471	= 75	47,927,767	= 25
1897-98	148,684,075	= 76	45,883,773	= 24

From last year Japan has been included in the gold standard countries. Russia is classed as a gold standard country from 1896-97.

European Trade.

The trade in merchandise with Europe was last year 65 per cent of the whole trade with the world, amounting to Rx. 109,224,397 out of an aggregate of Rx. 166,957,393. The proportion would be larger if we took into account the trade with Egypt, the greatest part of which is really trade with Europe, but here we are dealing with direct trade. The trade with the United Kingdom was last year 70 per cent of the trade with Europe. The bulk of the imports from Europe comes from the United Kingdom (81 per cent last year), but the exports from India are much more equally divided amongst other European countries :—

—		1895-96.	1896-97.	1897-98.
		Rx.	Rx.	Rx.
Imports	{ From United Kingdom	47,161,484	50,417,501	46,608,323
	{ From other European countries	10,102,930	10,035,850	10,839,831
Exports	{ To United Kingdom	86,142,702	82,617,165	80,210,159
	{ To other European countries	28,959,112	23,901,122	21,566,084

United Kingdom.—The import trade has been as follows :—

	Rx.		Rx.
1893-94	52,001,013	1896-97	50,417,501
1894-95	51,105,757	1897-98	46,608,323
1895-96	47,161,484		

These figures indicate a decrease of 7·5 per cent, following an increase (of nearly 7 per cent) in the preceding year. These results were due to the trade in cotton goods which bulks so largely in our commercial relations with the United Kingdom, as will be seen from the figures appended :—

—	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.	Rx.	Rx.
Value of cotton yarns	3,014,592	2,766,298	2,858,421	3,229,034	3,385,224
„ „ fabrics	28,541,981	29,267,888	22,342,372	25,814,582	22,147,652

Here we find a decrease of Rx. 3,510,740 in these articles, the total decrease in all the trade being Rx. 3,809,178. Large stocks were left over from the imports of the preceding year, and the slackened demand for piece-goods due to the impoverishment of the country by famine together with the further depressing influences of plague and dearness of money account for the falling off in the trade.

The other principal items in the list of imports from the United Kingdom are the following :—

—	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.	Rx.	Rx.
Apparel	893,292	820,953	889,248	871,360	781,963
Coal	936,698	1,392,395	1,356,895	821,577	490,356
Chemicals, drugs, medicines and narcotics, and dyes	764,826	842,299	912,340	802,998	882,314
Hardware and cutlery	1,067,847	1,093,809	1,167,315	1,219,393	1,171,417
Liquors	1,129,906	1,071,003	1,231,871	1,174,017	1,132,749
Machinery	2,475,014	2,411,592	3,187,817	3,467,774	2,820,552
Copper	1,718,697	1,205,595	1,524,676	615,477	998,303
Iron and steel	1,961,925	1,811,239	2,444,794	2,428,780	2,721,344
Provisions and oilman's stores	674,542	686,269	717,656	675,620	684,213
Railway plant and rolling stock	1,237,584	1,550,493	1,504,380	2,651,626	2,845,013
Salt	545,444	536,885	433,724	393,463	568,145
Silk manufactures	634,031	309,092	560,019	319,185	264,703
Woollen manufactures	1,326,576	938,099	939,644	1,138,550	830,584

There was a great decline in coal and textile fabrics. The importations of machinery also declined from the high level of the two preceding years. The quantity of railway material imported was very large and there was a notable increase in the importations of metals and salt.

The export trade was in the last five years :—

	Rx.		Rx.
1893-94 . . .	34,643,102	1896-97 . . .	32,617,165
1894-95 . . .	33,834,016	1897-98 . . .	30,210,159
1895-96 . . .	36,142,702		

The principal articles in the export trade, and their values in the last five years, are these :—

	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.	Rx.	Rx.
Coffee	995,820	1,042,064	1,059,854	833,370	835,354
Cotton	1,302,705	768,372	1,564,895	887,859	423,545
Indigo	1,576,057	1,480,495	1,867,093	1,654,075	653,274
Rice	1,849,960	1,869,152	2,076,995	1,609,940	1,100,527
Wheat	2,565,125	1,785,386	2,344,999	656,871	929,551
Hides and skins	3,142,917	3,037,385	3,444,619	3,344,332	3,610,152
Jute	5,563,595	5,877,092	6,252,769	6,435,704	5,816,362
Jute manufactures	598,427	801,019	733,998	880,725	982,996
Lac	596,773	800,617	987,829	784,523	511,880
Linseed	3,279,764	2,597,134	1,727,559	1,309,350	1,326,043
Sugar	703,393	437,384	491,718	599,056	188,764
Tea	6,114,421	6,971,046	6,938,179	7,483,365	7,455,084
Wool	1,043,638	1,343,185	1,310,336	1,219,728	1,335,933

The decline of nearly 10 per cent in 1896-97 was followed by a further decrease of 7·4 per cent and the value was abnormally low. The general and special causes which adversely affected the export trade of the year and are discussed elsewhere in this paper were responsible for this serious decline. The exports of cotton, indigo, and sugar are the smallest recorded for many years, and there was a large decrease in the value of jute and lac exported owing to a fall in prices. There was a revival in the wheat trade at the close of the year, and increased exports of hides and skins, jute manufactures, linseed, and wool.

Last year the interchange of merchandise with the United Kingdom represented 46 per cent of India's interchange of merchandise with the world. The ratio in preceding years was :—

1890-91 . . .	50 per cent.	1894-95 . . .	47·4 per cent.
1891-92 . . .	47·4 „	1895-96 . . .	45·4 „
1892-93 . . .	45·7 „	1896-97 . . .	47·2 „
1893-94 . . .	48 „		

Austria-Hungary.—

	Imports.	Exports
	Rx.	Rx.
1893-94 . . .	1,371,383	2,949,448
1894-95 . . .	1,194,115	2,443,366
1895-96 . . .	1,324,871	3,350,506
1896-97 . . .	1,487,788	2,503,463
1897-98 . . .	2,146,793	2,105,849

The principal imports and exports are :—

Imports.	1896-97.	1897-98.	Exports.	1896-97.	1897-98.
	Rx.	Rx.		Rx.	Rx.
Apparel	160,602	136,380	Coffee	55,318	37,851
Cotton yarn	52,939	48,087	Cotton	1,369,696	792,220
„ manufactures	200,286	173,417	Indigo	338,926	255,918
Mineral dyes	32,339	15,473	Hides and skins	226,042	367,195
Glass and glassware	166,797	132,701	Jute	238,399	382,263
Hardware and cutlery	99,207	89,085	Seeds (chiefly til and lin- seed)	150,149	107,652
Paper	100,321	83,806			
Stationery	24,411	25,918			
Silk goods	75,916	23,562			
Sugar	131,379	1,044,532			
Woollen goods	197,291	95,975			

There was a remarkable increase in the imports of beet-sugar which was diverted to this market by the new French Bounty Law and the countervailing duties on subsidised sugar imposed by the United States. Textile fabrics were imported in much smaller quantities. Hides and skins and jute were exported in larger quantities, but under the other heads, notably cotton and indigo, there was a marked decline.

Belgium.—

	—	Imports.	Exports.
		Rx.	Rx.
1893-94	2,053,276	5,726,972	
1894-95	1,866,364	3,795,543	
1895-96	2,729,646	3,953,231	
1896-97	2,403,702	3,059,584	
1897-98	2,284,839	3,039,238	

The principal articles in the import and export trade, and their values, are :—

Imports.	1896-97.	1897-98.	Exports.	1896-97.	1897-98.
	Rx.	Rx.		Rx.	Rx.
Iron	715,373	596,983	Cotton	1,578,643	910,037
Steel	430,449	536,377	Seeds	1,058,944	1,661,826
Aniline and alizarine dyes	360,516	309,629	Wheat	23,522	75,993
Copper	120,070	106,565	Hemp	92,975	81,004
Glass, chiefly sheet and other ware	126,434	92,898	Hides and skins	42,148	14,434
Hardware and cutlery	48,250	68,735	Indigo	59,993	32,709
Candles	30,573	33,515	Gunny-bags	75,834	87,174
Earthenware and porcelain	41,834	46,787			
Matches	23,189	47,398			
Paints and colours	37,444	18,251			
Paper	44,686	28,665			
Silk goods	49,792	31,677			

The imports of iron and steel have been remarked on in the chapter on imported merchandise, and the fluctuations in the remaining imports do not call for special remark.

There was a large increase in the export of seeds. The contraction in the cotton trade is common to all European countries.

France.—

	—	Imports.	Exports.
		Rx.	Rx.
1893-94	. . .	1,138,262	10,694,311
1894-95	. . .	860,430	8,681,705
1895-96	. . .	978,970	8,678,443
1896-97	. . .	920,096	6,368,132
1897-98	. . .	882,796	5,642,778

The imports and exports are:—

Imports.	1896-97.	1897-98.	Exports.	1896-97.	1897-98.
	Rx.	Rx.		Rx.	Rx.
Apparel, including millinery	199,424	147,742	Coffee	513,243	472,519
Clocks and watches	64,377	50,708	Cotton	974,494	433,609
Saffron	37,877	59,329	Indigo	338,438	256,292
Glass beads and false pearls	42,560	24,137	Wheat	100,797	198,485
Spirits, chiefly brandy	147,780	176,328	Hides and skins	228,842	316,455
Wines	66,031	62,153	Jute	595,040	523,575
Metals	37,016	33,581	Seeds	2,841,289	2,848,749
Silk goods	129,844	77,319	Silk, raw	299,737	223,521
Woollen goods	34,520	18,284			
Cotton goods	23,096	36,494			

There were larger imports of spirits, but a decline in the two other principal articles of the trade, namely, apparel and silk goods.

The exports of wheat and hides and skins increased, but the very small shipments of cotton (the value of the quantity exported being about one-third of that recorded in 1895-96) and the decrease in coffee, indigo, jute, and silk, account for the contraction in the export trade.

Germany.—

	—	Imports.	Exports.
		Rx.	Rx.
1893-94	. . .	1,714,003	7,648,508
1894-95	. . .	1,731,453	7,723,662
1895-96	. . .	2,351,776	8,060,763
1896-97	. . .	2,307,821	7,546,830
1897-98	. . .	2,434,519	7,188,441

The principal articles in the trade, and their values, are stated below :—

Imports.	1896-97.	1897-98.	Exports.	1896-97.	1897-98.
	Rx.	Rx.		Rx.	Rx.
Sugar	875,739	1,278,805	Coffee	43,609	16,491
Woollen goods	259,457	148,660	Coir and coir goods	56,822	67,332
Hardware and cutlery	153,197	119,104	Cotton	2,185,077	1,432,479
Salt	80,704	115,847	Indigo	319,076	177,091
Apparel	79,951	38,940	Rice	158,213	115,883
Glass and glassware	91,772	62,846	Wheat	...	1,100
Iron	47,772	32,341	Hides and skins	1,115,927	1,433,682
Steel	16,503	17,323	Jute	1,801,997	1,990,712
Cotton yarns and manu- factures	58,779	66,901	Gunnybags and cloth	153,675	210,343
Aniline and alizarine dyes	40,494	52,427	Lac, button and shell	161,010	134,113
Chemicals, drugs, narcotics	39,876	42,024	Seeds	1,196,428	1,221,654
Beer	74,441	45,336			
Spirits	47,686	48,403			
Paper	59,600	37,512			
Stationery	13,359	8,679			
Silk goods	29,773	17,944			
Toys	37,281	20,414			
Matches	33,728	34,118			

German like Austrian sugar was diverted to the Indian market, and the very large imports of that article and to a lesser degree of salt more than compensate for the decline in most of the other imported articles. Hides and skins, jute, and seeds were exported in large quantities, but the great falling off in cotton and indigo caused a contraction in the total value of the export trade.

Italy.—

	—	Imports.	Exports.
		Rx.	Rx.
1893-94		448,571	3,574,420
1894-95		342,039	2,996,303
1895-96		420,814	3,140,400
1896-97		464,717	3,069,860
1897-98		499,162	2,698,744

The principal imports and exports are (in Rx.) :—

Imports.	1896-97.	1897-98.	Exports.	1896-97.	1897-98.
Corals	64,771	57,747	Cotton	1,626,548	1,132,901
Cotton goods	46,136	82,122	Indigo	104,836	62,148
Mineral dyes	52,079	82,819	Hides and skins	281,665	426,299
Glass beads and false pearls	36,949	28,433	Jute	343,754	274,825
Silk goods	134,247	93,396	Seeds	570,715	547,220

The trade in corals continues to decline. Silk goods fell off but there is a great improvement in cottons and dyes. Hides and skins were exported in very large quantities and there was an improvement in jute, but the total trade declined greatly owing to the very large decrease in cotton and indigo and to a smaller extent in seeds.

Russia.—The accounts of trade no longer distinguish between European and Asiatic Russia and the figures appended include trade with both the European and Asiatic ports in the Black Sea.

	—	Imports.	Exports.
		Rx.	Rx.
1893-94	. . .	1,263,014	665,327
1894-95	. . .	1,007,645	480,186
1895-96	. . .	1,867,558	401,916
1896-97	. . .	2,019,594	426,223
1897-98	. . .	2,080,756	209,707

The principal import is petroleum. The principal exports are in order of their importance—tea (chiefly foreign), indigo, and seeds. A special feature of the year was the export of 39,297 cwt. of rice and the cessation of the exports of jute. Indigo was exported in greatly reduced quantities owing to the scarcity of good qualities, and there was a great decline in seeds. The exports of Indian tea increased from 457,634 lbs. in 1896-97 to 689,271 lbs. last year, but of foreign tea they fell from 2,041,953 lbs. to 1,255,064 lbs. owing to the adoption of the direct route from China to the Black Sea ports in place of shipments *via* Bombay.

African Countries.

Cape Colony and Natal.—The imports from both these colonies are trifling. The export trade has been as follows:—

	—	To Cape.	To Natal.
		Rx.	Rx.
1893-94	. . .	239,299	174,362
1894-95	. . .	226,210	220,831
1895-96	. . .	348,436	273,914
1896-97	. . .	343,272	438,252
1897-98	. . .	292,952	302,023

There was a large decrease in the principal exports to Cape Colony, namely, rice and gunnybags, but an increase in oils and teak. The exports to Natal of rice and other grains, flour, ghi, provisions, and clothing all decreased.

Egypt.—

	—	Imports.	Exports.
		Rx.	Rx.
1893-94	. . .	171,572	3,722,627
1894-95	. . .	282,291	4,669,041
1895-96	. . .	250,792	5,207,057
1896-97	. . .	199,723	4,876,847
1897-98	. . .	190,827	3,970,031

There was a decrease in the imports of cotton and salt, which with tobacco (cigars and cigarettes) are the principal articles imported. Last year, however, sugar valued at Rx. 46,663 was shipped thence. A very small portion of the articles exported to Egypt is intended for home consumption, many shipments being made to Port Said for orders. Rice, the chief export, was shipped in much smaller quantities and there was a considerable reduction in gunnybags, while the shipments of raw jute ceased. The exports of indigo increased materially, and of teak, an article of minor importance, doubled.

Mauritius.—

	—	Imports.	Exports.
		Rx.	Rx.
1893-94 . . .		1,787,030	1,330,660
1894-95 . . .		1,961,603	1,401,846
1895-96 . . .		1,721,339	1,234,786
1896-97 . . .		1,807,631	1,228,042
1897-98 . . .		1,683,071	1,197,587

The value of the sugar imported decreased owing to a fall in price. The quantity of refined sugar decreased by 82,804 cwt., but of unrefined sugar increased by 193,975 cwt. The imports of sugar during the last five years have been :—

	Cwt.		Cwt.
1893-94 . . .	1,361,619	1896-97 . . .	1,666,845
1894-95 . . .	1,763,003	1897-98 . . .	1,778,016
1895-96 . . .	1,571,993		

The principal export is rice. The quantity decreased and the value increased, and similarly with wheat-flour. There was also a decrease in cotton piece-goods (foreign) and gunnybags.

Zanzibar.—

	—	Imports.	Exports.
		Rx.	Rx.
1893-94 . . .		283,885	606,752
1894-95 . . .		260,783	736,039
1895-96 . . .		255,282	718,104
1896-97 . . .		205,055	749,456
1897-98 . . .		155,655	781,909

There was a decrease in both ivory and cloves which are the staples of the import trade. The yield of cloves in 1897 was unusually small and there has consequently been an advance in price.

The chief exports are Manchester and Bombay cottons and rice. There was a decline in cottons, which was far larger in the case of Bombay than Manchester goods.

*Countries in America.**United States.*—

	—	Imports.	Exports.
		Rx.	Rx.
1893-94 . . .		2,016,270	3,359,821
1894-95 . . .		1,106,441	5,842,397
1895-96 . . .		1,139,438	5,913,896
1896-97 . . .		1,466,949	4,818,498
1897-98 . . .		1,431,075	5,876,095

The principal import is kerosene oil, which increased largely after a decline in the previous year. The grain imported was for purposes of famine relief. The large increase in cotton piece-goods is very noticeable. A special feature of the year was an importation of steel rails valued at Rx. 18,336.

The export trade revived from the depression of the previous year owing to the large exports of hides and skins, raw jute, gunnybags, and gunny cloth. There was a decline under the other heads, except seeds, which however has made but a slight recovery from the great fall in the previous year.

	1895-96.	1896-97.	1897-98.
IMPORTS.	Rx.	Rx.	Rx.
Mineral oil, chiefly kerosene . . .	963,371	907,391	10,80,520
Cotton piece-goods (grey) . . .	54,840	93,258	176,746
Tobacco	43,662	44,869	43,356
Grain and pulse	...	314,530	9,951
EXPORTS.			
Hides and skins	2,052,683	1,524,820	1,886,903
Jute	863,442	659,086	858,055
" manufactures	1,181,288	1,336,358	1,997,064
Indigo	613,884	571,827	516,637
Lac (button and shell)	453,744	293,531	275,416
Seeds	162,145	3,298	11,944
Saltpetre	160,423	155,294	98,691
Cutch	35,295	14,129	...
Cocconut oil	190,613	84,818	37,590
Mica	51,109	19,950	9,095
Tea	34,585	44,885	52,604

South America.—The trade with countries in South America consists almost exclusively of the export of rice, gunnybags, and gunny cloth.

		1896-97.		1897-98.
		Rx.		Rx.
To Brazil, rice	Cwt. 1,661,884	755,324	Cwt. 2,218,536	997,666
To Chilé, rice	Cwt. ...	...	Cwt. 128,139	53,420
" gunnybags	No. 14,082,400	251,780	No. 10,535,600	165,755
To British Guiana, rice	Cwt. 161,059	77,574	Cwt. 131,691	83,128
" gunnybags	No. 491,150	12,322	No. 397,550	9,587
To Argentine Republic, gunny cloth	Yds. 24,961,900	258,530	Yds. 31,253,500	309,510
" rice	Cwt. 90,625	30,306	Cwt. 96,933	35,731
To Peru, gunnybags	No. 369,700	8,983	No. 639,100	13,511
To Uruguay, gunny cloth	Yds. 1,308,000	13,536	Yds. 2,547,500	24,332

Countries in Asia.

Aden.—

		Imports.	Exports.
		Rx.	Rx.
1893-94		183,336	952,425
1894-95		166,221	1,055,705
1895-96		125,999	951,376
1896-97		136,826	940,648
1897-98		153,179	996,959

Salt and pearls, the principal imports from Aden, increased. The trade in Bombay and Manchester cotton piece-goods recovered partially from the decline of the previous year. The increase in Indian yarn was considerable, and larger quantities were exported of rice, millets, and flour.

Arabia.—

	—	Imports.	Exports.
		Rx.	Rx.
1893-94 . . .		355,998	1,089,176
1894-95 . . .		530,663	1,224,353
1895-96 . . .		564,480	1,265,511
1896-97 . . .		494,690	1,091,018
1897-98 . . .		499,471	1,174,761

The chief imports from Arabia are pearls and dates. The value of the former declined considerably, but of the latter very slightly. There were largely increased imports of salt amounting to 42,405 cwt. The exports of yarn and cotton piece-goods increased, and there was a largely increased trade in rice and millets but a slight decline in flour.

Ceylon.—

	—	Imports.	Exports.
		Rx.	Rx.
1893-94 . . .		696,625	3,220,039
1894-95 . . .		451,821	3,450,161
1895-96 . . .		541,770	3,672,458
1896-97 . . .		682,644	3,244,759
1897-98 . . .		1,071,142	4,098,538

The principal imports and exports are (in Rx.) :—

Imports.	1896-97.	1897-98.	Exports.	1896-97.	1897-98.
Cocoanuts and kernel .	25,276	51,977	Animals . . .	85,234	96,382
Gunnybags . . .	39,467	43,743	Coal : . . .	96,952	106,183
Spirit (arrack) . . .	13,067	13,177	Cotton goods . . .	246,856	277,427
Cocoanut oil . . .	226,910	376,586	Indigo . . .	34,490	9,721
Spices (betelnuts and cardamoms mainly) . .	157,998	199,797	Grain and pulse (chiefly rice) . . .	2,011,864	2,600,751
Tea . . .	38,186	53,026	Oil-cake . . .	34,550	27,350
			Dregs of jinjili oil . .	17,759	73,426
			Provisions . . .	129,604	159,532
			Seeds (chiefly tea) . .	78,387	130,003
			Spices (chiefly chillies) .	41,240	96,003
			Sugar . . .	33,420	41,450
			Teak timber . . .	50,805	65,929

There was a general increase in both imports and exports. The shortness of the Indian supply owing to drought caused greatly increased imports of cocoanuts and cocoanut oil. The gunnybags imported are of Indian manufacture. It is noteworthy that there should be a considerable import of tea, the trade in which has been :—

	—	Lbs.	Rx.
1893-94 . . .		980,507	51,374
1894-95 . . .		901,971	46,137
1895-96 . . .		997,925	51,011
1896-97 . . .		748,127	38,186
1897-98 . . .		1,059,716	53,026

Considerably more than half the export trade consists of rice in which there was an increase. Coal for the supply of steamers is shipped to Colombo, and the quantity which has increased nearly fourfold in the last five years rose last year to 104,524 tons.

China.—The value of the import and export trade in the last five years is (Rx.) :—

		Imports.	Exports (Indian).
1893-94 . . .		3,542,556	10,989,240
1894-95 . . .		2,662,958	12,548,725
1895-96 . . .		2,805,858	13,778,103
1896-97 . . .		2,149,089	13,681,925
1897-98 . . .		1,691,012	12,082,642

The principal articles imported and exported in the same period have been :—

	IMPORTS.						EXPORTS.		
	Silk, Raw.	Silk Goods.	Tea.	Copper.	Sugar.	Drugs.	Cotton, Raw.	Cotton Yarn.	Opium.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
1893-94	1,072,016	638,676	472,552	322,381	513,329	112,710	9,713	4,449,905	5,977,195
1894-95	899,065	547,816	328,259	136,761	295,110	113,506	63,113	5,139,464	6,819,076
1895-96	938,334	626,483	410,564	129,078	266,190	104,134	149,692	6,336,062	6,353,818
1896-97	662,640	420,107	436,943	103,360	179,151	91,596	393,842	6,762,472	5,880,045
1897-98	480,158	373,295	118,110	12,491	334,838	103,336	353,860	6,554,545	4,654,734

The import trade fell away considerably, the only noticeable increase being in sugar. There was a large decrease in silk, and the imports of copper fell to a very low figure. The marked decrease in tea is chiefly due to the adoption of the Batoum route to Central Asia and direct shipments thereto from China. Diminished exports of opium together with a fall in the price of the drug is the principal cause of the marked contraction in the export trade, but there was also a sensible decline in cotton yarn and raw cotton :—

Japan.—

		Imports.	Exports.
		Rx.	Rx.
1893-94 . . .		252,096	1,411,169
1894-95 . . .		288,897	1,681,480
1895-96 . . .		417,193	2,819,383
1896-97 . . .		547,356	4,094,214
1897-98 . . .		534,519	4,173,458

The trade with Japan shews a check in the rapid expansion of previous years. The principal articles of the import trade are :—

	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.
Matches	106,231	77,527	131,484
Copper	76,734	80,254	49,346
Silk goods	65,794	159,449	241,811
Apparel (mainly of silk) . .	50,327	58,650	15,605
Coal	16,157	83,651	20,335
Umbrellas	15,661	21,903	5,340
Camphor	12,554	15,935	21,523
Silk, raw	12,540	4,953	3,027

There was a large decrease in copper, apparel, coal, and umbrellas, but a large increase in matches and silk goods, the last named finding a good market in Bombay and Burma.

The principal export is raw cotton of which Japan is the chief consumer. The figures appended contrast the rapid increase in the demand for the raw material with the extinction of the demand for spun yarn.

	Raw cotton.		Cotton yarn.	
	Cwt.	Rx.	Lbs.	Rx.
1888-89	390	1,071	23,143,460	937,407
1889-90	60,837	186,431	22,686,714	979,014
1890-91	77,757	216,806	11,876,422	488,592
1891-92	400,952	997,082	6,682,050	254,262
1892-93	443,988	1,256,755	7,351,801	277,774
1893-94	368,351	1,093,885	5,768,772	221,958
1894-95	465,148	1,277,769	2,613,600	100,866
1895-96	855,853	2,442,435	1,208,400	46,002
1896-97	1,498,600	3,760,332	634,800	24,938
1897-98	1,311,206	3,256,206	354,020	12,909

The other articles exported to Japan are :—

	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.
Indigo	71,704	227,565	344,443
Hides and skins	43,316	22,745	69,925
Jute	17,292	5,569	1,256
„ manufactures (bags, cloth, yarn, twine) . .	86,677	13,062	14,235
Wool	21,231	6,620	8,972

The trade in rice, which only comes into existence when the Japanese crop fails, last year reached the high figure of Rx. 438,684.

Persia.—

	Imports.	Exports.
	Rx.	Rx.
1893-94	734,205	1,837,120 ^a
1894-95	794,677	2,380,076
1895-96	872,798	1,714,438
1896-97	685,983	1,336,011
1897-98	691,912	1,404,111

The value of the principal articles in the last three years has been :—

Imports.	1895-96.	1896-97.	1897-98.	Exports.	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.		Rx.	Rx.	Rx.
Cotton	20,816	16,220	22,354	Coffee (Foreign) .	6,064	7,696	17,613
Asafoetida . . .	32,945	24,766	32,769	„ (Indian) .	26,624	13,922	15,151
Skins, raw . . .	35,579	34,998	49,280	Cotton twist and			
Precious stones and				yarn—			
pearls	288,235	241,290	189,197	(Foreign) .	39,830	55,491	80,537
Dates and other fruits	188,993	144,487	153,622	(Indian) .	41,633	30,455	46,704
Seeds	30,520	21,561	19,114	Cotton manufac-			
Wool	129,005	104,299	95,643	tures—			
				(Foreign) .	626,821	443,691	445,399
				(Indian) .	42,328	41,309	28,255
				Indigo	90,685	67,302	131,632
				Metals	57,921	34,066	48,107
				Rice	71,670	62,162	106,542
				Sugar	90,475	92,681	57,442
				Tea (Foreign) .	185,815	192,831	104,782
				„ (Indian) .	224,001	131,854	87,773

The trade is chiefly with Bombay, and the imports and exports shew but a slight recovery from the decline of the previous year. The change of route for the shipment of China teas direct to Batoum instead of *via* Bombay and the Persian Gulf accounts for the diminished exports of foreign tea, but the increased exports of Indian tea to Russia are only 232,000 lbs. against decreased shipments to Persia of 529,000 lbs. and to Turkish Arabia of 644,000 lbs.

Straits Settlements.—

	—	Imports.	Exports.
		Rx.	Rx.
1893-94		2,524,623	4,842,139
1894-95		2,103,158	5,628,884
1895-96		2,075,220	6,209,808
1896-97		1,842,122	5,329,790
1897-98		2,409,828	4,562,969

The trade with the Straits is largely indirect trade with other countries, Singapore being a centre of distribution for trade from the East and West.

The value of the principal articles in the last two years has been :—

Imports.	1896-97.	1897-98.	Exports.	1896-97.	1897-98.
	Rx.	Rx.		Rx.	Rx.
Coffee	43,609	47,663	Cotton, raw . . .	104,173	84,266
Cotton goods . . .	40,526	51,598	„ yarn	199,451	179,716
Camphor	49,721	52,590	„ goods	206,935	215,948
Gambier	43,599	51,298	Opium	1,642,646	1,259,814
Cocoanuts and kernel	58,330	62,544	Rice	1,490,290	1,330,980
Gum benjamin . . .	32,752	26,631	Hides and skins .	115,756	52,914
Matches	53,309	72,288	Gunnybags . . .	392,101	326,989
Tin	214,589	215,830	Provisions . . .	111,254	95,370
Provisions (largely dried			Rice-bran	111,374	96,690
and salted fish) . .	278,631	337,112			
Silk, raw	181,620	169,078			
Spices (largely betelnuts)	359,828	462,168			
Sugar	76,956	81,652			

Sumatra.—A trade in kerosene oil has sprung up in the last two years and made rapid advancement. The quantity imported last year was 7,540,866 gallons, valued at Rx. 328,978, of which 670,032 gallons were received in bulk.

Turkey.—

—	Imports.	Exports.
	Rx.	Rx.
1893-94	447,332	701,811
1894-95	405,619	984,010
1895-96	502,249	746,939
1896-97	391,603	708,730
1897-98	291,286	601,645

The trade which was injuriously affected in 1896-97 by the plague in Bombay again declined greatly last year. The importation of horses was on a very limited scale, but there was a recovery of the trade in dates. Grain was imported in the previous year in abnormally large quantities and the receipts last year were below the average. There was a marked decline in the exports of Manchester and Bombay cottons, gunnybags, and tea, and a large increase in the exports of indigo.

Australia.—

—	Imports.	Exports.
	Rx.	Rx.
1893-94	242,665	1,024,589
1894-95	243,649	1,330,575
1895-96	233,543	1,218,699
1896-97	452,676	1,189,624
1897-98	334,430	1,237,040

The principal articles imported are:—

—	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.
Horses	135,642	264,940	172,339
Coal	26,143	66,162	26,253
Copper	29,148	72,125	93,636
Provisions	11,182	9,930	6,630

The principal exports are:—

—	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.
Grain and pulse (chiefly rice)	20,946	30,457	16,167
Hide goods (gunnybags and cloth)	700,370	657,125	768,059
Castor oil	59,232	54,994	80,973
Linseed oil	23,984	29,007	27,601
Tea	296,191	252,238	251,257

Camels have for some years been exported in considerable numbers, but last year the trade nearly ceased.

CHAPTER IV.

PROVINCIAL TRADE.

The figures of the trade of each province with foreign countries stand thus (in Rs.) :—

—	IMPORTED MERCHANDISE.			EXPORTED MERCHANDISE.		
	1895-96.	1896-97.	1897-98.	1895-96.	1896-97.	1897-98.
Bengal .	27,191,817	30,280,234	28,040,674	46,588,587	45,560,345	45,128,985
Bombay .	27,906,694	26,873,092	24,624,558	37,933,075	33,162,319	27,458,114
Madras .	5,693,863	5,823,744	6,394,853	12,812,353	11,831,787	11,412,768
Burma .	4,714,506	4,547,351	5,727,158	10,568,130	9,377,227	8,941,705
Sind . .	3,809,515	4,390,276	4,632,877	6,360,995	3,982,619	4,595,751

Taking imports and exports of merchandise together, the share of each province in the whole foreign trade of India stood as follows during the last three years :—

—	1895-96.	1896-97.	1897-98.
	Per cent.	Per cent.	Per cent.
Bengal . . .	40·19	43·13	43·83
Bombay . . .	35·87	34·15	31·19
Madras . . .	10·08	10·04	10·67
Burma . . .	8·32	7·92	8·78
Sind . . .	5·54	4·76	5·53

The import trade in merchandise fell off considerably in Bengal and Bombay owing principally to diminished importations of cotton piece-goods, but in the other Provinces the trade increased. In Sind the plague which had disorganised the trade of the previous year had abated. In Burma which did not suffer from the famine the importations were very large, and in Madras there was a considerable advance.

In the export trade all provinces shew a decrease, except Sind in which there had been an abnormal shrinkage in the preceding year. The articles in which the largest decline occurred are indigo and opium in Bengal; raw cotton, cotton manufactures, and opium in Bombay; raw cotton in Madras; and rice in Burma.

The following table shews the nature of the import trade and of the export trade (Indian produce) of each province :—

		Bengal.	Bombay.	Madras.	Sind.	Burma.
IMPORTS.		Rx.	Rx.	Rx.	Rx.	Rx.
Cotton—						
Twist and yarn	{ 1895-96	862,886	680,169	798,299	156,370	473,866
	{ 1896-97	911,799	641,869	1,137,838	224,549	409,816
	{ 1897-98	910,599	698,137	1,027,642	280,723	575,937
Manufactures	{ 1895-96	12,630,006	6,298,001	1,478,713	1,335,866	1,042,195
	{ 1896-97	14,459,267	7,262,283	1,642,295	2,021,382	1,039,077
	{ 1897-98	11,735,267	6,145,329	1,818,296	1,912,919	1,290,159
Kerosene oil	{ 1895-96	1,811,624	674,146	118,632	85,270	90,071
	{ 1896-97	1,462,182	964,500	144,506	129,175	158,993
	{ 1897-98	1,566,630	1,277,276	272,460	189,968	91,453
Liquors	{ 1895-96	538,236	503,504	216,850	178,282	258,956
	{ 1896-97	528,632	492,763	230,583	148,547	244,419
	{ 1897-98	465,025	468,224	202,257	176,577	276,411
Metals	{ 1895-96	2,745,761	2,804,920	564,472	372,862	285,457
	{ 1896-97	2,701,168	1,712,350	539,866	221,357	288,031
	{ 1897-98	2,797,006	2,064,165	641,932	269,770	417,039
Sugar	{ 1895-96	631,464	1,844,500	5,671	538,338	86,840
	{ 1896-97	616,424	1,766,579	4,182	651,159	112,985
	{ 1897-98	1,274,038	2,433,241	8,898	845,324	222,978
Woollen manufactures	{ 1895-96	563,857	696,534	34,235	39,796	111,095
	{ 1896-97	707,558	709,681	43,523	64,093	167,680
	{ 1897-98	417,562	355,362	41,426	57,277	276,803
EXPORTS OF INDIAN PRODUCE.						
Coffee	{ 1895-96	321	75,081	2,122,769	9	12
	{ 1896-97	773	42,414	1,541,826	22	4
	{ 1897-98	53	24,794	1,494,229	24	30
Cotton—						
Raw	{ 1895-96	970,393	10,478,213	1,506,838	1,114,956	19,793
	{ 1896-97	822,052	9,530,564	1,368,978	1,142,727	105,768
	{ 1897-98	658,112	6,321,196	852,399	955,641	83,965
Twist and yarn	{ 1895-96	257,020	6,296,060	176,218	246	1,292
	{ 1896-97	538,490	6,489,202	144,100	321	995
	{ 1897-98	797,312	5,947,783	220,928	94	715
Manufactures	{ 1895-96	21,105	989,767	581,689	20,665	524
	{ 1896-97	15,326	767,146	528,285	12,073	536
	{ 1897-98	22,505	618,512	527,501	15,390	598
Hides and skins—						
Raw	{ 1895-96	3,119,790	8,551	6,811	322,694	170,647
	{ 1896-97	2,850,944	24,734	3,546	158,874	196,478
	{ 1897-98	4,166,504	13,355	1,994	191,473	120,971
Dressed	{ 1895-96	7,738	686,268	3,315,081	2,038	60
	{ 1896-97	5,082	697,900	3,058,698	5,114	...
	{ 1897-98	5,250	706,920	3,104,108	6,959	...
Indigo	{ 1895-96	3,723,847	159,737	1,402,126	68,801	...
	{ 1896-97	3,114,206	174,715	993,125	88,711	...
	{ 1897-98	1,755,104	184,797	1,066,445	51,056	...
Jute—						
Raw	{ 1895-96	9,990,325	9	2,527	...	...
	{ 1896-97	10,547,897	17	2,648	15	...
	{ 1897-98	10,129,616	139	236	...	...
Manufactures	{ 1895-96	4,665,654	78,344	304	3,065	76
	{ 1896-97	5,152,898	58,457	259	2,236	80
	{ 1897-98	5,841,673	39,247	466	2,007	89
Opium	{ 1895-96	5,046,393	3,412,935	...	8	...
	{ 1896-97	4,968,724	3,054,199	...	...	...
	{ 1897-98	3,893,956	2,203,607	...	...	...
Rice, husked	{ 1895-96	3,724,181	462,774	473,106	30,750	8,739,892
	{ 1896-97	2,796,538	476,791	1,091,959	18,728	7,466,245
	{ 1897-98	2,996,174	408,936	1,207,247	65,804	6,908,867
Seeds	{ 1895-96	2,373,186	6,001,939	469,901	870,345	2,140
	{ 1896-97	2,265,459	4,464,271	519,496	759,330	3,124
	{ 1897-98	2,964,179	4,671,395	360,706	595,684	2,136
Tea	{ 1895-96	7,162,654	272,528	191,784	36,634	1,289
	{ 1896-97	7,730,647	158,297	209,098	25,371	1,135
	{ 1897-98	7,659,160	119,154	247,578	31,973	758
Teakwood	{ 1895-96	6,067	11,362	6,567	153	646,825
	{ 1896-97	4,099	18,610	3,434	129	660,211
	{ 1897-98	13,515	11,876	2,106	...	927,155
Wheat	{ 1895-96	371,449	1,155,949	85	2,386,363	50
	{ 1896-97	31,383	512,761	149	291,996	106
	{ 1897-98	37,151	212,409	298	1,091,284	9
Wool—						
Raw	{ 1895-96	105,357	799,361	7,584	442,806	...
	{ 1896-97	89,696	674,373	6,630	470,798	...
	{ 1897-98	93,096	733,272	4,809	525,360	...
Manufactures	{ 1895-96	90,803	66,500	20,059	5,521	2
	{ 1896-97	107,594	67,047	21,511	5,859	20
	{ 1897-98	108,853	77,695	32,936	4,416	...

The bulk of the trade (including treasure) and navigation of India with foreign countries is confined to the five ports noted below. The figures are the proportions per cent :—

	Trade.			Shipping.		
	1895-96.	1896-97.	1897-98.	1895-96.	1896-97.	1897-98.
Calcutta	36.72	39.66	39.29	22.39	22.63	27.78
Bombay	40.2	38.66	38.14	31.11	30.67	27.01
Rangoon	6.17	5.88	6.44	12.44	11.26	11.63
Madras	5.57	5.4	5.27	8.77	8.96	7.81
Karachi	5.17	4.52	4.95	7.7	6.86	6.43
TOTAL	93.83	94.12	94.09	82.41	80.38	80.66

The following figures shew the actual extent of the foreign trade of the largest ports of India in merchandise only, imports and exports (including re-exports), during the last three years (in Rx.) :—

	1895-96.	1896-97.	1897-98.
Calcutta	72,316,661	74,760,757	71,994,608
Bombay	65,799,726	60,017,367	52,063,062
Rangoon	12,303,406	11,259,087	12,346,725
Madras	10,735,151	10,261,385	10,161,018
Karachi	10,170,371	8,372,182	9,228,432

GOVERNMENT STORES.

The total value of these transactions was Rx. 4,404,657, that of the preceding year having been Rx. 4,279,865, and of 1895-96 Rx. 3,728,466. Imports of stores amounted to Rx. 4,240,340 against Rx. 4,189,251 in 1896-97, and Rx. 3,620,358 in 1895-96; the increase in both years is the result of a larger importation of railway material, the value of which for the last five years has been :—

	Rx.		Rx.
1893-94	1,091,586	1896-97	2,304,218
1894-95	1,246,216	1897-98	2,477,228
1895-96	2,019,534		

During the last five years the values of imports and exports on account of Government have been as follows (in Rx.) :—

	IMPORTS.		EXPORTS.	
	Stores.	Treasure.	Stores.	Treasure.
1893-94	3,064,475	36,000	55,779	75,455
1894-95	3,361,555	22,200	98,779	68,055
1895-96	3,620,358	9,000	71,598	27,510
1896-97	4,189,251	9,210	69,799	11,605
1897-98	4,240,340	54,331	95,508	14,478

CHAPTER V.

CUSTOMS REVENUE.

The following exemptions from import duty were sanctioned during the year:—

Machinery (and component parts thereof) intended for the manufacture of articles made of leather, for the manufacture of matches, and for the treatment of tobacco.

Reduction to 5 per cent *ad valorem* of the duty on petroleum which has its flash-point at or above 200° Fahrenheit and is imported for use as fuel.

Reduction from 5 per cent to 1 per cent *ad valorem* of the duty on sleepers of iron or steel and lever boxes which are not exempt from duty as railway material.

The gross revenue from imports, salt excluded, was in the last three years:—

	Rx.
1895-96	3,978,645
1896-97	3,578,863
1897-98	3,746,910

The revenue obtained from the articles which are subject to special rates of import duty was:—

	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.
Arms and ammunition	33,868	37,215	35,727
Malt liquor	19,047	18,813	17,702
Cider and other fermented liquor	186	154	178
Spirits	590,899	591,039	599,269
Liqueurs	7,690	8,005	6,818
Wines	44,660	41,152	37,350
Opium	405	347	442
Petroleum	400,002	412,618	531,778
Salted fish	13,366	13,543	16,920
Total gross revenue	1,110,123	1,122,886	1,246,184

All other dutiable imports are taxed at the general rate of 5 per cent, except cotton goods which are taxed at $3\frac{1}{2}$ per cent and the bulk of iron and steel which are taxed at 1 per cent. The revenue obtained from these classes of goods in the last three years was as follows:—

Under *Articles of Food and Drink* (other than liquors) Rx. 384,260 were received, the principal items being:—

	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.
Sugar	153,095	162,152	246,045
Provisions	54,672	48,897	50,559
Fruits and vegetables	35,566	28,840	34,737
Spices	35,258	32,209	38,564
Tea	25,143	26,997	10,344

Chemicals, Drugs, Narcotics, and Dyes produced the small sum of Rx. 105,166, the chief items being:—

	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.
Drug, medicines, narcotics	35,101	33,659	37,313
Chemical products and preparations	27,197	22,857	27,522
Dyes and tans	39,811	35,253	40,331

The revenue from articles grouped under *Metals* and *articles made of metal* amounted to Rx. 657,095, of which 66 per cent was obtained from silver.

The principal items are :—

	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.
Hardware and cutlery	74,548	79,105	74,987
Copper and brass	105,969	55,207	73,505
Iron	29,341	28,431	29,759
Lead	1,737	1,601	1,307
Silver	355,868	326,483	433,889
Steel	10,484	9,724	11,527
Tin	18,300	13,174	11,742
Zinc	6,618	3,573	4,918

From *Oils* (petroleum excepted) only Rx. 24,249 was obtained, an increase of nearly 45 per cent on the previous year's figures.

The largest items of all, *manufactures of cotton*, produced a revenue of Rx. 795,721, the descriptions being those specified below :—

	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.
Piece-goods: grey (unbleached), mostly shirtings, chādars, dhutis, sārīs, and scarves	598,962	503,257	450,193
Piece-goods: white (bleached)	214,716	200,546	187,099
" coloured, printed, or dyed	281,189	196,985	142,885
Handkerchiefs and shawls in the piece	9,159	3,807	2,336
Hosiery and other manufactures	12,554	13,220	13,207

Of the other articles enumerated in the tariff schedules, those specified below produced a revenue of Rx. 10,000 and upwards in 1897-98 :—

	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.
Apparel	72,411	71,262	55,155
Building and engineering materials	9,980	8,347	10,065
Carriages, carts, and other conveyances (including bicycles)	5,610	12,251	15,480
Earthenware and porcelain	11,688	10,257	10,041
Glass and glassware	36,974	35,269	28,826
Gums and resins	11,709	9,699	10,708
Instruments, apparatus, and appliances	17,211	17,027	16,196
Ivory and ivory ware	15,627	10,819	11,564
Leather and articles made of leather (mainly boots and shoes, harness and saddlery)	15,629	14,542	12,443
Matches	18,130	14,282	20,871
Paints, colours, painters' materials, and compositions for application to leather, wood, and metals	20,923	19,242	18,771
Paper and pasteboard	25,404	23,364	20,874
Silk and articles made of silk	146,375	113,480	95,671
Stationery	14,575	14,436	12,064
Umbrellas	17,103	15,301	16,774
Wood and timber, and articles made of wood	14,670	11,634	10,932
Woollen goods	72,988	84,960	57,926
Articles imported by post	14,251	14,026	13,880

The total gross revenue from all articles subject to import duty, salt excepted, was Rx. 3,746,910. On the same articles the drawbacks and refunds in the year amounted to Rx. 67,795, the net revenue being Rx. 3,679,115, which was about 98½ per cent of the gross revenue. The drawbacks, amounting to Rx. 39,824, are given to the extent of seven-eighths of the import duty on articles re-exported from India. The refunds, amounting to Rx. 27,971, are given in special cases where exemption is allowed after payment of duty or where duty has been erroneously charged, but the bulk of the refunds represents the difference between the specific duty chargeable on the import of arms and the rate of 10 per cent *ad valorem* payable when the arms are sold by the importing trader to persons authorised to possess arms.

The export tariff schedule is limited to rice and rice-flour, a duty of three annas (three-sixteenths of a rupee) being levied on each maund of 82½ lbs. The gross and net duty realised in the last five years have been :—

		Gross.	Net.
		Rx.	Rx.
1893-94	. . .	660,477	645,475
1894-95	. . .	903,488	887,977
1895-96	. . .	929,224	912,985
1896-97	. . .	752,560	734,662
1897-98	. . .	723,731	708,212

CHAPTER VI.

BALANCE OF TRADE.

The excess of exports over imports, including treasure as well as merchandise, for each of the last ten years was (in Rx.) :—

—	Including Government transactions.	Excluding Government transactions.	—	Including Government transactions.	Excluding Government transactions.
	Rx.	Rx.		Rx.	Rx.
1888-89 . .	15,548,400	18,266,400	1893-94 . .	15,120,900	18,090,100
1889-90 . .	18,709,700	21,219,400	1894-95 . .	34,029,600	37,246,600
1890-91 . .	8,440,700	11,253,200	1895-96 . .	32,289,800	35,820,100
1891-92 . .	27,305,200	29,869,100	1896-97 . .	19,733,100	23,850,100
1892-93 . .	30,279,300	33,850,100	1897-98 . .	10,590,300	14,775,000

In the same period the drawings of the Secretary of State in Council bills have been :—

—	£	Exchange, Pence.	Rx.	—	£	Exchange, Pence.	Rx.
1888-89	14,262,859	16·379	=20,899,100	1893-94	9,530,235	14·546	=15,723,600
1889-90	15,474,496	16·566	=22,418,700	1894-95	16,905,102	13·1	=30,969,900
1890-91	15,969,034	18·089	=21,186,900	1895-96	17,664,492	13·638	=31,085,500
1891-92	16,093,854	16·733	=23,082,800	1896-97	15,526,547	14·45	=25,787,000
1892-93	16,532,215	14·984	=26,478,400	1897-98	9,506,077	15·402	=14,812,800

The increase in the import trade caused by the large importation of treasure and the falling off in the exports of merchandise reduced the excess of the exports over the imports far below the normal.

GOLD AND SILVER COIN AND BULLION.

The imports and exports during the last ten years were :—

Gold :—

—	Imports.	Exports.	Balance, net Imports.	—	Imports.	Exports.	Balance, net Imports.
	Rx.	Rx.	Rx.		Rx.	Rx.	Rx.
1888-89	3,119,100	305,200	2,813,900	1893-94	3,146,500	2,505,300	641,200
1889-90	5,071,000	455,700	4,615,300	1894-95	1,756,300	6,730,400	{ —4,974,100
1890-91	6,500,800	864,700	5,636,200	1895-96	5,029,300	2,503,300	{ (net exports.)
1891-92	4,118,900	1,705,100	2,413,800	1896-97	4,491,200	2,200,100	2,291,100
1892-93	1,781,800	4,594,500	{ —2,812,700	1897-98	7,281,200	2,372,700	4,908,500
			{ (net exports.)				

Silver :—

—	Imports.	Exports.	Balance, net Imports.	—	Imports.	Exports.	Balance, net Imports.
	Rx.	Rx.	Rx.		Rx.	Rx.	Rx.
1888-89	10,725,900	1,479,200	9,246,700	1893-94	15,314,700	1,594,900	13,719,800
1889-90	12,388,500	1,450,600	10,937,900	1894-95	7,824,900	1,495,700	6,329,200
1890-91	15,433,600	1,258,500	14,175,100	1895-96	8,338,700	1,756,500	6,582,200
1891-92	10,603,700	1,581,500	9,022,200	1896-97	8,593,400	2,737,400	5,856,000
1892-93	15,228,000	2,364,400	12,863,600	1897-98	13,249,400	4,775,900	8,473,500

The large amount of silver required for the coinage of British dollars which was actively carried on in the Bombay Mint throughout the year partly accounts for the great increase noticeable in the imports and exports of silver. The very large net imports of that metal and of gold in a year when the export trade was greatly restricted and the country was suffering from the effects of famine, is however remarkable. Experience shews that under normal conditions there is a large and constant demand in India for the precious metals, but the excessively high imports of last year must be due in great part to speculative purchases. Part of the large imports of coined gold amounting during the year to Rx. 2,619,517 was used as a means of remittance, and gold, mostly sovereigns, valued at Rx. 255,400, was tendered at the Reserve Treasuries in exchange for rupees. The imports of gold were also stimulated by the rise in the gold value of the rupee, while the trade in silver was made even more profitable by the fall in its gold price simultaneously with the rise in exchange, the disparity between the exchange and bullion value of the rupee being greater than at any period since the closing of the mints. To illustrate this the diagram, facing this page which was published in the review of the trade of 1895-96, is now republished with additions to August 1898.

The quantity of silver imported (net) in each of the last seven years is stated below, with the quantity which passed into the mints of the Native States :—

Quantity imported (net).		Quantity passed into the native mints.	
	Ounces.		Ounces.
1891-92	32,348,438	1891	4,147,266
1892-93	45,523,512	1892	5,817,070
1893-94	54,328,973	1893	7,476,500
1894-95	27,040,022	1894	3,297,435
1895-96	27,018,079	1895	4,115,926
1896-97	25,929,088	1896	4,524,663
1897-98	44,284,617	1897	2,979,922

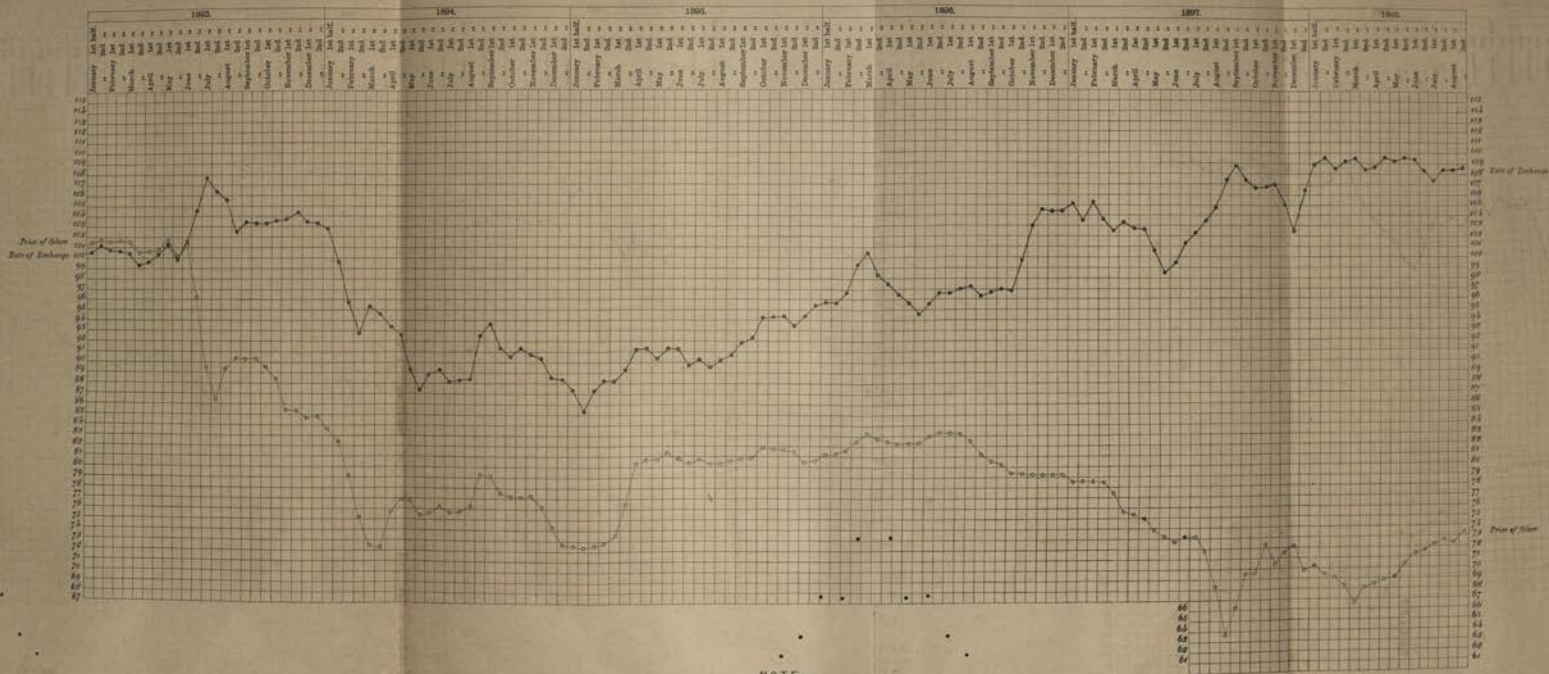
The silver coined in the mints of the Native States accounted for less than 7 per cent of the net imports during the year. The reduction was caused by some of the Native States closing their mints, either on the adoption of Government of India rupees as their sole currency or to check the depreciation of the local currencies. The statistics of the export of silver across the frontier are incomplete and unreliable, but the quantity is not large. Nor is there any reliable information as to the relative quantities used for art manufactures and ornaments, placed in hoards, or held by dealers.

The descriptions of silver imported and exported in the last three years were as follows, the values being stated in Rx. :—

	IMPORTS.			EXPORTS.		
	1895-96.	1896-97.	1897-98.	1895-96.	1896-97.	1897-98.
Bars	7,474,972	7,489,503	11,957,907	35,766	13,580	47,381
Other uncoined silver	...	9,548	94,587			
Rupees (Government of India)	743,601	1,020,139	1,104,826	1,095,850	1,614,621	1,537,987
British dollars	120,143	74,195	92,074	603,483	1,088,833	3,173,655
Other coin				21,395	20,321	16,891

About five-sixths of the bar silver imported came from the United Kingdom, the remainder being received mostly from Australia, the United States, China, and Ceylon. There was a large increase in the export of British dollars to the Straits and Hong Kong. The demonetization of the Japanese *yen* has necessitated a replenishment of the currency in the parts where that coin was current, and the Bombay mint was actively employed throughout the year in the mintage of dollars from silver supplied by the Exchange Banks. The exports of rupees were principally to Ceylon and Mauritius.

Diagram of the Course of Exchange in India and the Price of Silver in London from the beginning of 1893 to the end of August 1898.



NOTE.

The Chart is intended to exhibit the Price of Silver and the Course of Exchange before and after the closure of the Indian Mints on the 25th June 1895. The data of the Chart are:—

Price of Silver on 1st June 1893 37½ d. per Ounce.

Rate of Exchange on " " (Colonial Standard) . . . 12½ % per Rupee.

These have been taken such to represent 100, and the curves of the diagram represent the fluctuations in half-monthly averages on that basis.

CHAPTER VII.

SHIPPING.

Total number and tonnage of the shipping, steam and sailing, with cargoes and in ballast, which entered from and cleared to foreign countries, during each of the last five years :—

	—	No.	Tons.	Average tonnage.	
1893-94	. .	9,995	7,665,886	767	
1894-95	. .	10,577	8,255,822	780	
1895-96	. .	10,297	8,226,600	799	
1896-97	. .	9,940	7,698,585	774	
1897-98	. .	9,759	7,784,630	798	

The restricted export trade caused a decline in the number of vessels, but, as the average burden increased, there was a small addition to the total tonnage.

The steamer tonnage, which was 86·1 per cent in 1896-97, fell to 84·3 per cent last year. The total number of steamers, which entered and cleared, was 4,145, with an aggregate burden of 6,561,392 tons, the average tonnage of each steamer being 1,583 tons. About 6·6 per cent of the steamers which cleared left in ballast.

The entries from and clearances to the United Kingdom were 2,283,256 tons, being 29·3 per cent of the total tonnage, against 30 per cent in 1896-97. Entries from and clearances to British possessions increased from 2,868,632 tons to 3,021,838 tons. There was a decline in the tonnage of the vessels entered from and cleared to other foreign countries, the figures for the last five years being :—

	—	No.	Tons.	
1893-94	. . .	2,808	2,575,413	
1894-95	. . .	2,830	2,698,084	
1895-96	. . .	2,831	2,661,389	
1896-97	. . .	2,410	2,523,243	
1897-98	. . .	2,597	2,479,536	

The relative proportions of tonnage entered and cleared last year were as follow :—

	1895-96.	1896-97.	1897-98.
	Per cent.	Per cent.	Per cent.
From and to the United Kingdom . . .	32·4	30	29·3
” ” British possessions . . .	35·2	37·3	38·8
” ” foreign countries . . .	32·4	32·7	31·9

The vessels carrying the trade of India for the most part fly the British flag, the tonnage of vessels sailing under that flag representing about 79·8 per cent of the whole.

The tonnage of vessels under foreign flags was 14·6 per cent of the whole.

The proportion of the tonnage of vessels under the British Indian registry was about 3·6 per cent of the whole. These are all sailing vessels of small tonnage.

The total number of vessels under foreign flags, which entered and left last year, was 1,191 against 1,034 in 1896-97, their burden aggregating 1,137,969 tons against 1,103,066 tons in 1896-97. The principal flags were:—

	1895-96.		1896-97.		1897-98.	
	No.	Tons.	No.	Tons.	No.	Tons.
German	270	423,753	236	411,214	244	391,493
Austrian	114	237,358	112	239,729	124	265,486
French	132	162,488	116	156,399	97	120,413
Norwegian	88	93,075	80	75,548	117	109,437
Italian	59	115,328	54	96,855	53	107,392
Arab	498	69,058	315	46,206	472	57,938
American	9	8,290	2	2,150	3	4,888

The native craft continue at a low and declining level :—

		No.	Tons.
1893-94		2,966	158,673
1894-95		2,985	156,788
1895-96		3,004	156,805
1896-97		3,090	154,320
1897-98		2,751	150,691

The shipbuilding industry in India continues to be on the most restricted scale. The number and tonnage of the vessels built in the last three years are as follows :—

	1895-96.				1896-97.				1897-98.			
	Steamers.		Sailing vessels.		Steamers.		Sailing vessels.		Steamers.		Sailing vessels.	
	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.
In Bengal	...	...	1	59	...	...	9	761	...	...	3	163
In Bombay	2	40	52	1,344	5	99	28	831	1	22	21	854
In Sind	...	...	10	236	...	...	12	529	...	...	10	443
In Madras	...	...	18	362	...	...	16	332	...	...	20	375
In Burma	1	52	6	119	1	39	10	384	...	...	8	176
TOTAL	3	92	87	2,120	6	138	75	2,837	1	22	62	2,011

SECTION II.—TRANS-FRONTIER TRADE.

CHAPTER VIII.

The total value of the trade, both imports and exports, decreased very slightly :—

	MERCHANDISE AND TREASURE.		
	Imports.	Exports.	Total.
	Rx.	Rx.	Rx.
1893-94 . . .	4,351,251	3,698,321	8,049,572
1894-95 . . .	4,931,538	4,254,198	9,185,736
1895-96 . . .	4,974,286	4,230,297	9,204,583
1896-97 . . .	5,637,527	4,937,071	10,574,598
1897-98 . . .	5,634,455	4,918,021	10,552,476

These figures include treasure, but the record under that head is necessarily so fragmentary that, in considering the geographical distribution of the trade, it will be convenient to notice only the figures which relate to merchandise. These are shewn below against each principal country, the countries being arranged geographically, proceeding from west to east along the line of frontier :—

	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.	
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	
N.-W. Frontier.	Lus Bela . . .	68,822	73,196	67,253	90,158	99,863	137,954
	Khelat . . .	77,604	91,134	119,206	118,488	107,873	128,500
	Kandahar . . .	532,085	661,021	608,852	667,543	645,781	473,084
	Zhob and Loralai . . .	59,975	66,440	70,598	71,283	69,514	58,005
	Sewestan . . .	124,926	131,273	145,801	150,007	153,332	...
	Kabul . . .	831,351	594,046	427,765	471,236	441,701	403,748
	Tirah . . .	22,523	22,381	24,832	17,952	29,053	23,191
	Bajaur . . .	257,176	358,966	469,057	354,111	844,335	570,922
N. and N.-E. Frontier.	Kashmir . . .	983,727	951,596	1,126,496	1,277,006	1,357,712	1,329,875
	Ladakh . . .	49,630	53,032	80,835	81,521	115,253	93,386
N. and N.-E. Frontier.	Thibet . . .	154,986	185,336	210,501	195,511	195,849	215,726
	Nepal . . .	2,527,104	2,597,386	2,947,891	3,037,475	2,894,150	3,405,598
	Sikkim . . .	41,877	48,774	72,166	90,193	114,911	84,635
	Bhutan . . .	42,149	43,095	41,674	55,947	31,172	30,549
	Hill Tipperah . . .	65,592	56,605	43,470	72,573	61,217	57,222
E. Frontier.	Western China . . .	144,107	271,372	316,251	224,979	329,805	267,906
	Siam . . .	74,118	123,694	64,610	112,878	73,078	143,781
	North Shan States . . .	333,595	378,221	402,686	350,015	394,003	483,778
	South Shan States . . .	175,476	172,973	380,591	424,063	654,407	689,020
	Karenni . . .	253,419	234,744	243,718	235,444	208,754	172,028
	Zimmé . . .	232,601	316,615	228,543	208,610	237,643	298,661

There was a large increase in the trade with Nepal and countries on the extreme Eastern frontier, but the general falling off in the trade of countries on North-Western Frontier, except Lus Bela and Khelat, due either directly or indirectly to the military operations in that quarter, caused a slight decline of 0·2 per cent in the total value of the frontier trade. From last year local trade with Sewestan ceased to be registered as foreign trade, and the through trade with Afghanistan was registered as trade with Kabul.

The frontier trade may be classed in three great groups, as shewn above :—

- (1) The trade of the North-Western Frontier which crosses the frontiers of Sind, British, Baluchistan, and the Panjab, and is conducted chiefly with Kandahar (by railway), with Kabul, the border country lying between India and Afghanistan, Kashmir (including Ladakh), and that portion of the trade with Thibet which crosses the Panjab frontier. This trade amounted in the year to Rx. 3,233,111 (a large decrease) and was about 35·5 per cent of the whole trade in merchandise, which amounted to Rx. 9,101,443.
- (2) The trade on the North and North-Eastern Frontier, which crosses the frontiers of the North-Western Provinces and Oudh, Bengal, and Assam.

This trade amounted in the year to Rx. 3,813,157 (a large increase) and was 41.9 per cent of the whole trade. It is carried on chiefly with Nepal and Thibet, the trade with the latter country being, however, relatively insignificant.

- (3) The trade on the Eastern Frontier, which crosses the frontier of Burma and is conducted with China, Siam, the Shan States, Karenni, and Zimmé. This trade amounted to Rx. 2,055,175 (a large increase) and was about 22.6 per cent of the whole trade.

The trade in treasure, as far as it is recorded, may be separately stated here (Rx.):—

Imports.			Exports.		
—	1896-97.	1897-98.	—	1896-97.	1897-98.
Into the Panjab—			From the Panjab—		
From Kashmir . . .	37,458	40,640	To Kashmir . . .	67,412	70,871
„ Ladakh . . .	320	...	„ Kabul . . .	13,159	10,985
„ Sewestan . . .	5,614	...	„ Sewestan . . .	2,546	...
			„ Ladakh . . .	6,509	4,910
			„ Thibet . . .	481	261
			„ Bajaur . . .	...	210
Into the North-Western Provinces—			From the North-Western Provinces—		
From Nepal . . .	13,375	15,755	To Thibet . . .	2,152	1,210
			„ Nepal . . .	...	3,479
Into Bengal—			From Bengal—		
From Nepal . . .	390,197	126,580	To Thibet . . .	11,380	6,810
„ Thibet . . .	...	1,240	„ Sikkim . . .	2,470	1,265
			„ Nepal . . .	132,085	333,928
Into Assam—			From Assam—		
From Towang . . .	64	50	To Dafia and Aka Hills . . .	348	236
„ Bhutan . . .	5	18			
Into Burma—			From Burma—		
From North Shan States . . .	93,899	92,091	To North Shan States . . .	46,948	67,105
„ South „ „ . . .	159,713	149,245	„ South „ „ . . .	114,574	97,696
„ West China . . .	55,418	83,418	„ West China . . .	10,570	5,613
„ Siam . . .	23,163	44,936	„ Siam . . .	26,979	55,871
„ Zimmé . . .	59,203	53,221	„ Zimmé . . .	92,940	87,224
„ Karenni . . .	4,573	4,729	„ Karenni . . .	96,711	91,436
TOTAL . . .	843,002	611,923	TOTAL . . .	627,264	839,110

The inaccuracy and incompleteness of these figures makes it necessary to leave them out of account in considering the statistics of the trade.

N.-W. FRONTIER.

The bulk of the trade which crosses this frontier is carried on with Kandahar, Kabul, Bajaur, and Kashmir.

Kandahar.—The trade with Kandahar during the last five years has been :—

—	Imports.	Exports.
	Rx.	Rx.
1893-94 . . .	335,849	328,172
1894-95 . . .	299,090	309,762
1895-96 . . .	410,541	257,002
1896-97 . . .	418,405	227,376
1897-98 . . .	309,299	163,785

The decrease in the imports last year, chiefly in raw wool and woollen piece-goods, was partially compensated by an increase in wheat and other food-grains. The decline in the exports was in cotton and woollen piece-goods and sugar.

The continued absence from Karáchi for the greater part of the year of the traders, who left on the outbreak of the plague, accounts for the restricted trade in wool and piece-goods. The trade generally was also adversely affected by the disturbances on the frontier, and it is further believed to have been underestimated through carelessness on the part of the trade registrars.

Kabul.—The trade with Kabul in the last five years has been :—

—	Imports.	Exports.
	Rx.	Rx.
1893-94 . . .	188,831	405,215
1894-95 . . .	160,400	267,365
1895-96 . . .	165,003	306,233
1896-97 . . .	151,538	290,163
1897-98 . . .	129,110	274,638

The trade is steadily decreasing owing to the impediments placed in its way by the interference and fiscal arrangements of the Amir. The large decline last year is, however, chiefly attributable to the military operations on the frontier, the impressment of transport, and the closing of the Khyber pass for several months. Last year's figures include the trade with the eastern parts of the Amir's dominions which were formerly classed as Sewestan, and this addition partly counteracts the decrease in the direct trade with Kabul.

The figures appended represent the value of the trade in the more important articles :—

—	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.	Rx.	Rx.
Imports :—					
Horses, ponies, mules . . .	27,079	18,759	32,540	11,955	2,275
Drugs and medicines . . .	11,320	11,962	9,661	2,258	7,766
Fruits, vegetables, and nuts . . .	60,198	56,502	46,422	51,709	30,854
Hides, skins, and leather . . .	17,943	14,019	17,775	19,416	8,895
Ghi	24,900	20,086	17,042	19,475	24,444
Wool, raw and manufactured . . .	12,908	11,927	13,961	11,445	17,003
Exports :—					
Cotton yarn	6,083	8,674	11,530	11,088	6,537
„ piece-goods	275,235	151,400	172,488	145,082	203,444
Dyeing materials	9,004	15,218	17,823	15,512	6,986
Leather	10,446	7,599	15,251	5,800	3,914
Brass, copper, and iron	12,404	11,421	11,688	23,209	7,026
Sugar	15,714	10,228	8,895	10,569	8,672
Tea	61,112	45,097	27,129	35,770	15,860

The large decline in the imports of fruits is attributed to a state monopoly and prohibition of the export from the Amir's territories of pistachios and almonds. The export of mares has similarly been prohibited, and large numbers of the horses intended for export were purchased by the Amir. Hides and skins were imported in smaller quantities, and the trade in manufactured leather practically ceased.

The trade in tea for the Central Asian market is rapidly dwindling owing to its diversion to the Persian Gulf and Batoum. The figures appended shew the exports of foreign and Indian tea for the last six years as registered at the frontier posts :—

—	Foreign Tea.	Indian Tea.
	lbs.	lbs.
1892-93	879,536	375,536
1893-94	597,968	152,880
1894-95	388,864	150,528
1895-96	155,792	175,280
1896-97	284,032	193,872
1897-98	144,816	45,248

Bajaur.—The figures below represent the value of the trade in the last five years :—

	—	Imports.	Exports.
		Rx.	Rx.
1893-94	. . .	146,996	211,970
1894-95	. . .	191,836	277,221
1895-96	. . .	132,910	221,201
1896-97	. . .	332,877	461,458
1897-98	. . .	247,894	323,028

The opening of the Chitral road caused a great expansion of trade in 1896-97, and the decline caused last year by the fighting in Swat and the adjoining country and the absorption of transport was less than might, in the circumstances, have been expected. The principal imports are food-grains, ghi, hides, skins, and timber, and the chief exports, cotton piece-goods and yarn, raw cotton, indigo, sugar, tea, and tobacco.

The trade gives promise of considerable development.

Kashmir.—The trade in the last five years has been :—

	—	Imports.	Exports.
		Rx.	Rx.
1893-94	. . .	422,888	528,708
1894-95	. . .	513,555	612,941
1895-96	. . .	636,888	640,618
1896-97	. . .	722,282	635,430
1897-98	. . .	769,724	560,151

The trade in timber, which is steadily increasing, was valued last year at Rx. 283,698. The remaining articles of importance in the import trade are ghi (Rx. 184,599), woollen goods (Rx. 63,107), grain and pulse (Rx. 59,398), and hides and skins (Rx. 36,779). The chief exports are cotton piece-goods (Rx. 300,767), cotton yarn (Rx. 26,834), sugar (Rx. 51,169), and salt (Rx. 50,415). In cotton piece-goods, sugar, and tea there was a considerable decline.

N. AND N.-E. FRONTIER.

Thibet.—The value of the trade of the last five years is :—

	—	Imports.	Exports.
		Rx.	Rx.
1893-94	. . .	124,616	60,720
1894-95	. . .	145,256	65,245
1895-96	. . .	127,185	68,326
1896-97	. . .	140,456	55,393
1897-98	. . .	123,149	92,577

The decline in the import trade is due, in part at least, to the late opening of the passes into the North-Western Provinces, and to the registration of the trade with Bengal for only nine months of the year owing to a change in the arrangement of the registration posts not being completed. The most important item of the import trade is raw wool (Rx. 73,644). Next come borax (Rx. 17,554), salt (Rx. 13,886), and animals—chiefly sheep and goats, ponies, and mules—(Rx. 11,334). The imports of musk and yaks'-tails were very small, about one-seventh of the previous year's imports, but no reason can be assigned for this great decrease. The value of food-grains exported, Rx. 64,379, increased nearly four-fold owing to the abundant spring harvest in Almora and British Garhwal, which gave a supply of grain much in excess of local requirements. The remaining exports are cotton piece-goods, indigo, copper, iron, sugar, tobacco, and woollens, and in all of them, except copper and tobacco, there was a decline.

Nepal.—The trade with Nepal, which continues to expand, is far the largest on the frontier:—

	Imports.	Exports.
	Rx.	Rx.
1893-94 . . .	1,493,012	1,104,374
1894-95 . . .	1,716,653	1,231,238
1895-96 . . .	1,765,341	1,272,134
1896-97 . . .	1,489,483	1,404,667
1897-98 . . .	1,914,194	1,491,404

The principal articles of the trade are these:—

	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.	Rx.	Rx.
Imports:—					
Horses, cattle, sheep and goats . . .	131,122	140,354	140,612	115,232	130,509
Hides and skins	64,139	53,325	52,380	62,815	111,234
Drugs, non-intoxicating	37,580	44,989	66,588	44,712	41,993
Rice, husked and unhusked	589,790	628,436	635,624	428,590	731,319
Other food-grains	84,683	166,903	179,540	156,204	186,755
Ghi	68,410	70,238	75,544	59,669	92,704
Provisions	59,061	100,127	82,962	58,455	41,428
Linseed	85,065	114,016	117,100	124,954	89,779
Mustard, rape, and other oilseeds . . .	123,782	96,359	88,242	107,546	141,134
Spices	35,331	40,495	57,426	52,250	47,210
Tobacco	63,617	63,245	52,965	56,818	98,892
Timber	63,574	85,415	81,361	68,546	48,318
Exports:—					
Cotton yarn	102,582	97,036	95,606	107,561	136,367
„ piece-goods	414,187	511,185	448,145	486,892	482,237
Metals	77,520	80,608	98,495	101,820	117,063
Provisions	89,469	115,467	129,147	108,734	79,534
Salt	89,173	92,613	93,469	114,574	146,362
Spices	56,842	69,608	103,031	119,306	125,460
Sugar	39,923	44,555	54,789	62,257	50,575
Tobacco	33,310	31,759	42,173	55,619	103,101
Petroleum	15,957	18,983	27,779	47,104	80,393

The very large imports of rice and food-grains are due to the withdrawal of the prohibition on exports from Nepal which had been imposed during the prevalence of famine and high prices in India. The expansion of the trade in cattle hides is attributed to cattle disease in Nepal and a good demand in India for export.

All the articles of the export trade mentioned above, with the exception of cotton piece-goods, provisions, and sugar, shew a large and continuous increase.

E. FRONTIER.

Western China.—The trade for the last five years has been:—

	Imports.	Exports.
	Rx.	Rx.
1893-94	137,216	134,156
1894-95	115,506	200,745
1895-96	86,907	138,072
1896-97	99,591	230,214
1897-98	64,435	203,471

The staples of the import trade are raw silk, orpiment, and animals, in all of which there was a decline. There was an increased export of Indian yarn, but a decrease in raw cotton and European piece-goods, which are the other staples of the trade. The diversion of the trade to Myitkyina (the terminus of the Mu Valley Railway) where no arrangements had been made for registration of the traffic, probably accounts for the general decline in last year's figures.

Siam.—There is an unimportant trade with Siam, but last year it increased by 96·7 per cent, the recorded imports being valued at Rx. 86,895 and the exports at Rx. 56,886. The chief import is cattle, and the exports, lacquered ware, jewellery, and cotton, silk, and woollen piece-goods.

With the Shan States, Karenni, and Zimmé the trade has been :—

—	Imports.	Exports.
	Rx.	Rx.

Northern Shan States.

1893-94	· · ·	216,707	161,514
1894-95	· · ·	216,965	185,721
1895-96	· · ·	180,799	169,216
1896-97	· · ·	189,024	204,979
1897-98	· · ·	273,619	210,159

Southern Shan States.

1893-94	· · ·	96,424	76,549
1894-95	· · ·	164,090	216,501
1895-96	· · ·	168,642	255,426
1896-97	· · ·	318,156	336,251
1897-98	· · ·	324,364	364,656

Karenni.

1893-94	· · ·	214,025	20,719
1894-95	· · ·	233,868	9,850
1895-96	· · ·	206,687	28,757
1896-97	· · ·	192,682	16,122
1897-98	· · ·	153,543	18,485

Zimmé.

1893-94	· · ·	230,172	86,442
1894-95	· · ·	203,321	25,222
1895-96	· · ·	182,999	25,611
1896-97	· · ·	180,752	56,891
1897-98	· · ·	235,581	63,080

From the Northern Shan States the chief imports are provisions and tea; from the Southern Shan States, teak, cattle, fruits, and lac; and from Karenni and Zimmé teak. The principal exports to these regions are cotton yarn and piece-goods, silk piece-goods, salted fish, salt, betelnuts, and metals.

The trade of Burma with Western China, Siam, and other regions on the Eastern Frontier amounted to Rx. 1,897,690 in 1896-97 and last year to Rx. 2,055,175.

General.—The nature of the trade carried on across the frontiers will be understood from the subjoined list of the principal imports and exports and their values in the last three years :—

Imports.				Exports.			
—	1895-96.	1896-97.	1897-98.	—	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.		Rx.	Rx.	Rx.
Animals, living :—				Animals, living . . .	67,484	105,388	63,986
Horses, ponies, mules . . .	68,949	43,342	31,673	Cotton, raw . . .	82,675	132,406	122,453
Cattle . . .	231,191	214,787	301,098	Cotton yarn :—			
Other kinds . . .	76,988	75,218	65,971	European . . .	178,324	206,032	226,456
Borax . . .	19,199	19,735	18,145	Indian . . .	78,042	118,346	122,647
Drugs and medicines (largely charas) . . .	157,066	131,528	148,129	Cotton goods :—			
Dyes . . .	37,486	35,102	17,526	European . . .	1,113,605	1,308,952	1,103,493
Fruits, vegetables, and nuts	295,075	248,849	212,568	Indian . . .	426,582	453,173	477,224
Grain and pulse (largely rice) . . .	921,873	911,070	1,190,133	Dyes :—			
Hides, skins, and horns . . .	147,987	167,050	194,126	Indigo . . .	45,012	51,053	42,214
Lac . . .	45,683	17,025	15,274	Other kinds . . .	20,667	21,381	14,852
Seeds :—				Grain and pulse . . .	91,653	90,436	141,715
Oilseeds (chiefly linseed and rapeseed) . . .	247,581	283,310	308,490	Metals, mainly brass, copper, and iron . . .	208,235	193,770	193,987
Tea-seed . . .	2,529	17,554	2,580	Oils : Petroleum . . .	45,067	68,879	101,679
Provisions :—				Provisions . . .	216,683	226,923	195,942
Ghi . . .	368,834	420,866	407,332	Salt . . .	236,459	271,682	281,340
Other kinds . . .	222,987	171,757	214,870	Silk goods . . .	83,698	120,128	121,591
Silk, raw . . .	50,637	46,887	29,218	Spices . . .	144,199	172,874	178,175
Spices . . .	80,729	80,415	77,266	Sugar . . .	168,034	199,358	151,378
Tobacco . . .	61,959	66,259	108,260	Tea :—			
Wood and timber, chiefly teak . . .	667,193	832,907	816,477	Indian . . .	51,831	52,861	28,186
Wool, raw . . .	322,353	364,579	303,231	Foreign . . .	22,275	46,956	27,990
Woollen goods . . .	109,880	164,571	84,979	Tobacco . . .	72,974	101,854	141,727
				Woollen goods . . .	55,567	49,587	32,942

SECTION III.—COASTING TRADE.

CHAPTER IX.

The total trade, imports and exports, merchandise and treasure, was in the last ten years :—

	Rx.		Rx.
1888-89 .	60,166,070	1893-94 .	68,446,208
1889-90 .	59,211,043	1894-95 .	70,317,044
1890-91 .	65,586,392	1895-96 .	74,604,838
1891-92 .	67,896,004	1896-97 .	68,200,970
1892-93 .	66,097,209	1897-98 .	75,859,238

Taking the export value as representing the actual value, the trade of the last five years is stated in the figures appended, which do not include the exports of Government stores or treasure :—

	Indian Merchandise.	Foreign Merchandise.	Treasure.
	Rx.	Rx.	Rx.
1893-94	23,250,899	7,250,196	1,602,580
1894-95	25,027,220	7,541,147	2,113,256
1895-96	26,229,816	7,849,728	1,787,685
1896-97	25,215,226	6,688,431	1,896,640
1897-98	29,150,764	7,113,212	2,214,259

The principal articles of the trade are mentioned in the list below in the order of their importance, and placed against them are their import values in the last five years, that is, the value of the imports into British Indian ports.

Indian Merchandise.

	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
	Rx.	Rx.	Rx.	Rx.	Rx.
1. Grain and pulse	5,199,041	5,103,956	5,592,106	6,535,547	9,767,670
2. Cotton manufactures, including twist and yarn	2,251,103	2,608,291	2,788,275	2,640,737	2,670,751
3. Cotton, raw	6,789,792	3,786,435	5,683,021	3,445,032	2,141,075
4. Jute manufactures	1,509,766	1,516,369	1,692,023	1,527,196	1,706,671
5. Spices	1,384,044	1,457,682	1,276,782	1,156,058	1,298,944
6. Coal	285,314	244,455	407,701	613,370	1,059,251
7. Salt	863,625	979,993	937,681	1,014,830	1,043,488
8. Teak timber	849,864	887,092	995,729	1,032,943	987,470
9. Seeds	1,258,836	1,594,370	1,862,329	959,108	898,988
10. Oils	811,515	861,527	1,031,057	905,323	881,023
11. Provisions	722,056	629,090	689,451	742,586	815,774
12. Cocoanuts and kernel	808,176	1,035,572	879,162	743,913	802,724
13. Tobacco	577,521	593,048	695,640	629,098	665,314
14. Jute, raw	676,994	604,447	675,036	540,216	554,106
15. Hides and skins	510,099	550,923	574,725	521,083	506,022
16. Spirits	409,764	409,659	462,395	428,438	459,308
17. Sugar	635,705	595,471	630,008	514,467	427,454
18. Timber and wood, other than teak	384,469	412,474	457,273	352,249	351,972
19. Coffee	331,593	368,213	391,931	207,813	191,592
20. Tea	168,950	194,692	242,773	168,192	137,726

The only article which shews a marked decline is raw cotton, the decrease occurring mainly in the imports into Bombay. The trade of all the provinces

increased owing to the large movement of food-grains,—wheat and millets from Sind to Bombay, and rice from Burma to Bengal, Bombay, and Madras. There were largely increased imports of Bengal coal into Bombay, Burma, and Madras, and this trade shews a very satisfactory expansion.

The quantity of rice exported coastwise from Burma during the last five years has been (cwt.) :—

1893-94	7,098,712	1896-97	6,779,928
1894-95	5,483,627	1897-98	12,286,203
1895-96	2,796,878		

The large exportations of the last two years were occasioned by the famine and the chief destination of the rice was (cwt.) :—

	1896-97.		1897-98.	
	Rice in the husk.	Husked rice.	Rice in the husk.	Husked rice.
Bengal	303,625	2,828,415	505,845	5,134,039
Bombay	18,497	2,674,462	22,278	3,181,035
Madras	487,155	217,876	1,594,284	1,720,027

COASTING SHIPPING.

The following table gives the number and registered tonnage of the vessels engaged in the coasting trade during the last five years (000's omitted in tonnage) :—

Entered.

	STEAMERS.		SAILING VESSELS.		NATIVE CRAFT.	
	No.	Tons.	No.	Tons.	No.	Tons.
1893-94	9,224	9,974	2,695	239	153,348	2,574
1894-95	9,673	10,204	2,919	200	150,728	2,547
1895-96	9,829	10,581	3,396	219	159,755	2,728
1896-97	9,755	10,168	3,048	169	138,575	2,388
1897-98	9,200	9,810	3,083	162	132,031	2,269

Cleared.

1893-94	9,238	9,996	2,675	223	143,503	2,547
1894-95	9,697	10,243	2,788	200	144,289	2,544
1895-96	9,772	10,480	3,461	211	151,073	2,665
1896-97	9,812	10,248	3,119	173	129,085	2,318
1897-98	9,219	9,796	3,209	178	123,043	2,211

Steamer tonnage amounts to 80 per cent of the total tonnage engaged in the coasting trade.

SIMLA,
September 5th, 1898.

J. A. ROBERTSON.

Government of India
STATISTICAL BUREAU

REVIEW

OF THE

TRADE OF INDIA

IN

1898-99.

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THE TRADE OF BRITISH INDIA WITH FOREIGN COUNTRIES

for the official year ending March 31, 1899.

PART I.

General Summary.

Those who compare the trade of last year with the trade in the two years *Total values.* which preceded it are apt to draw the conclusion that it was an exceptionally prosperous year. The figures appended, which are for seven years ending with 1898-99, demonstrate that there is no solid basis for the conclusion (Rx):

	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.	1898-99.
<i>Imports—</i>							
Merchandise	62,605,030	73,956,957	70,167,438	69,316,395	71,793,829	69,266,663	68,380,341
Gold	1,781,789	3,146,530	1,756,280	5,029,269	4,491,179	7,281,222	8,840,054
Silver	15,228,021	15,278,726	7,802,727	8,329,716	8,584,174	13,195,064	9,043,903
Total Imports	79,614,840	92,382,213	79,726,445	82,675,380	84,869,182	89,742,949	86,264,298
<i>Exports—</i>							
Foreign merchandise re-exported	4,590,290	4,431,975	5,057,414	4,717,516	4,033,637	3,751,172	3,371,166
Indian merchandise	101,945,707	102,015,615	103,757,585	109,545,624	99,880,660	93,786,101	109,350,277
Gold	4,594,472	2,505,284	6,739,374	2,593,317	2,300,141	2,372,733	2,336,646
Silver	2,334,522	1,510,453	1,427,643	1,728,084	2,725,759	4,761,436	5,071,535
Total Exports	113,464,991	110,472,327	116,973,016	118,495,441	108,840,188	104,671,442	120,129,654

The total import trade was not in excess of the average, and imports of merchandise were indeed smaller than in any of the preceding five years. The export trade was not six per cent larger than the trade of 1892-93, seven years previously; not two and three-quarters per cent larger than the trade of 1894-95; five years previously; and less than one and-a-half per cent in excess of the trade of 1895-96, four years previously. To one who is accustomed to examine the progress of trade from year to year in a country which is still undergoing development in every direction, there is no occasion to point to the value of our trade last year, even though it is larger than has hitherto been reached, with any particular complacency, for the consideration cannot be rejected that, large as the value was, it might reasonably have been expected to be larger. If we reflect that the two immediately preceding years were exceptionally bad years, and a comparison is drawn, as is done here, with four other ordinary years of the series, the apparently excessive and exceptional increase in the year assumes its true proportions and the perspective is corrected.

*Comparison of
ten years.*

A still more comprehensive view is obtained if the figures of the preceding ten years are considered, as presented below, the figures abbreviated for convenience, and the excess of exports over imports being added :

<i>Millions of Rs.</i>			
	Imports.	Exports.	Excess of Exports.
1888-89 .	80·415	98·681	18·266
1889-90 .	84·019	105·238	21·219
1890-91 .	90·954	102·207	11·253
1891-92 .	81·310	111·179	29·869
1892-93 .	79·615	113·465	33·850
1893-94 .	92·382	110·472	18·090
1894-95 .	79·726	116·973	37·247
1895-96 .	82·675	118·495	35·820
1896-97 .	84·869	108·840	23·971
1897-98 .	89·743	104·671	14·928
1898-99 .	86·264	120·129	33·865

In this series the year 1890-91 may be omitted from consideration, being a year when trade conditions were violently affected by silver legislation in the United States. The year 1893-94 may also be left out of account, that being a year in which very exceptional features were present, owing to the closure of the mints followed by a sudden rise in exchange, the suspension for some months of the sale of Council bills, and a sudden and heavy fall in exchange on their resumption. Excluding those years, a study of the figures demonstrates that there were no exceptional features in the trade of last year.

The truth is that the trade of the year, exceptionally good as it seemed to be compared with the depression of the two preceding years, would have been much better if the conditions had been entirely favourable. They were not. The effects of the famine which was so prominent a factor in influencing our commercial relations in 1896-97 and 1897-98, were mitigated by the autumn harvest which was brought to market in 1897; they disappeared from Northern India after the spring harvest of 1898 was reaped, but the prices of food-grains, though they began to fall in October 1897, did not resume the level of the period before the famine until the autumn harvest of 1898 was assured. In Southern and Western India moreover the restoration to normal agricultural conditions was by no means so rapid and complete as in Northern India.

*Monetary
stringency :*

A marked feature in the record of 1897-98 was the stringency of the money market. The stringency lasted from the outbreak of famine in the autumn of 1896 until the end of June 1897, the Bank rate rising again in December and remaining at a very high level to the end of the year 1897-98. Nor did the stringency then cease, for the rate remained very high in the first three months of the year now under consideration, a period during which the exportation of wheat was being carried on with the greatest activity. Fortunately, with the end of June 1898 the stringency came to an end, and the export trade from December 1898 to March 1899 was not harassed by a bank rate in excess of 7 per cent. The condition of the money market from month to month in the last two years will be understood from the appended table :

<i>Bank rate in Calcutta.</i>			
	1897-98.	1898-99.	1899-1900.
April . . .	10	12—11	7—6
May . . .	10	11	6—5
June . . .	10—9—8	11—10—9—8	5
July . . .	7—6—5	8—7—6—5—4	5—4
August . . .	5	4	4
September . . .	5—6	4—5	...
October . . .	6—7	5	...
November . . .	7—6—5	5	...
December . . .	5—6—7—8—9	5—6	...
January . . .	9—10—11	6—7	...
February . . .	11—12	7	...
March . . .	12	7	...

So much discussion has centred round the cause of the stringency that it *its causes* may be useful to examine the conditions and find a rational explanation, which is not to be found in the assertion that the currency had been contracted by the closure of the mints.

On the outbreak of famine in the autumn of 1896, and the coincident outbreak of plague in Western India, the Government found themselves obliged to take large sums from the cash in the treasuries for transmission to the interior where the money was spent on the relief of famine. As the cash of the Government is a very important factor in the financing of trade operations, the withdrawal of all this money was sensibly felt at a time when active trade was commencing. Nor were the treasuries re-filled in the beginning of the following year as usual for the payment of revenue was largely suspended in consequence of the failure of crops. The pressure on the money market thus caused was intensified by the flight from Bombay of large numbers of traders whom the epidemic of plague had stricken with terror. These people locked up their business offices, taking with them all the money they could command, and their extensive dealings in imported goods ceased at once. The goods that were daily reaching Bombay from abroad, imported in anticipation of an ordinary season, remained undelivered and formed a dead weight on the money market as well as in the dock sheds and importers' stores. Factory operatives and labourers also fled in thousands daily, and the circulation of money in Bombay was diminished in probably greater proportion than the reduction in the population. Later these conditions repeated themselves in Karáchi, and again in Bombay when the epidemic broke out with renewed violence a year later. Meanwhile, in the middle of 1897 the outbreak of hostilities with the tribes on the north-western border was the signal for extensive and prolonged military operations, involving heavy expenditure and still further withdrawal of Government money from the commercial centres in which, in ordinary years, it would have been available for business operations. So depleted were the Government treasuries that it became necessary, not only to suspend the sale of Council bills and so deprive the market of its regular and accustomed supplies of money, but to reverse the normal conditions, the Government drawing from the local markets the rupee equivalent of bills for a million sterling bought by the India Office. While Government were thus withdrawing their money and unable to collect the revenue due, large sums were drawn away from the commercial centres by the demand for rupees in Burma whence rice in large quantities, at double the normal prices, was being sent to the distressed districts in India. Meanwhile the stringency was extending inwards, for native bankers and moneylenders who had their available capital out at interest with the agricultural community found themselves suddenly deprived by the failure of the crops of the prospect of repayment, and were therefore obliged to restrict their operations. The agricultural classes, too, being unable to buy clothing or other articles, the dealers found themselves with their stocks left on hand and unable to obtain money with which to repay advances. There was in short a general lock-up of capital which would ordinarily have been rapidly circulating; and this was naturally accompanied, in the uncertainty of the prospect, by a contraction of credit.

As soon as a good harvest was reaped greater ease set in, and the second *and dis-* good harvest found things almost restored to their ordinary condition. The *appearance.* arrears of the Government revenue were paid, trade was resumed, credit was restored, and the money which had been locked away again circulated freely.

The cry which had been raised of a contracted currency also ceased. It is permissible here to refer to the somewhat analogous case which occurred in the United States. In the Western States there was great depression of trade and agriculture in the autumn of 1896, just as there was in India at the same time. Credit was contracted and loanable capital was not easy to get, and the agitators for the resumption of silver coinage promptly raised the same cry that was raised in India, asserting that the dearth of loanable capital was nothing but a contraction in the currency.

Causes of good trade.

Much of the measure of prosperity which attended the trade of 1898-99 may be assigned to the excellent conditions of trade in the United Kingdom and the United States, aided by the maintenance throughout the year of a stable rate of exchange, the stability, as it was maintained from month to month, inspiring increased confidence in its permanent maintenance. With such confidence there was no longer any occasion to hasten to take away capital from India, to thrust goods as fast as possible on the Indian market before a fall in exchange, and to withhold exports in the hope of a fall. Such fears and hopes long possessed the minds of all concerned in the trade of India, leading to the result that the trade was carried on in a series of rushes and pauses having reference, not so much to the conditions and prospects of the market as to the conditions and prospects of exchange. It was an undeniable advantage to commercial intercourse that exchange was not during the year the dominating factor in the conduct of trade operations which it was for so many long years; and it is a substantial advantage that it is already now possible to conduct operations in accordance with the conditions of prices, supply, and demand, and so proceed with work in orderly fashion, instead of fitting transactions to the temporary conditions and immediate prospects of exchange.

Exports.

This great stability of exchange enabled the country to utilise to the fullest advantage all the other conditions which tended to favour trade. A large demand for wheat, at prices unusually in excess of the level of recent years, set in when the peasants of the Panjab had gathered in a very good harvest. The trade in rice resumed its normal course, from which it had been diverted by the famine of 1896-97, and the exports were stimulated by such a scanty harvest in Japan that, as on one or two former occasions, considerable quantities were sent to that country. It is not improbable indeed that in the near future the export of rice from Burma to Japan may become a regular and ordinary feature of the trade, for the population of that country is apparently increasing out of proportion to the capacity of local production.

If it had not been for the active trade in wheat it would be necessary to class the year as not by any means a good year, for though in the other articles in the export trade, with few exceptions, values were larger than in the preceding unfavourable year (1897-98), many articles of great importance in the trade did not reach, in some cases were much below, the level of former years. Among these are cotton, cotton manufactures (yarn and cloth), indigo, jute, opium, and oilseeds. A comparison of the values of some of these articles in 1895-96 and in 1898-99 will demonstrate how much the trade of last year left to be desired:

	1895-96. Rs.	1898-99. Rs.
Coffee	2,198,192	1,749,824
Cotton	14,096,193	11,188,538
Cotton yarn and cloth	8,344,587	7,788,470
Indigo	5,354,511	2,970,478
Hides and skins	7,639,478	7,449,218
Jute	9,992,861	6,941,245
Lac	1,833,601	871,394
Opium	8,459,336	7,126,009
Sugar	574,745	198,437
Wool	1,355,108	1,253,483

Oilseeds represented a value of Rx. 11,847,194 last year, a considerable increase on the shrunken values of the three bad years immediately preceding, but much smaller than the value of the trade of 1894-95, which amounted to Rx. 14,201,520. The values of some of the articles exported last year were higher than in 1895-96, prominent among them being:

	1895-96. Rx.	1898-99. Rx.
Jute goods	4,747,443	5,798,359
Oils	738,707	800,887
Provisions	479,125	609,729
Spices	489,509	618,596
Tea	7,664,889	8,044,804
Wood and timber . . .	801,897	1,085,705

This list is much smaller than the other, and of the two most important articles—jute goods and tea—it should be noted that, though the values of last year's trade exceeded those of 1895-96, they were smaller than the values of 1897-98, and it is reasonable therefore to say that there was nothing exceptional in the dimensions of the trade. This remark indeed applies to all the articles in which there was an increase of trade, not even omitting wheat and rice, though the prices obtained for wheat were exceptionally high for a portion of the year. On the other hand, it is also reasonable to say of the category of articles in which the trade did not expand, that the relative contraction was due to the fact that exceptional causes had not entirely disappeared. The inference may be drawn that there is no good reason to suppose that the export trade as a whole will not be as large in the immediate future and will not continue to expand with the increase of population, the restoration of prosperity with the return of good seasons, and the continued development of the country.

That the unsettled conditions of the preceding year had not entirely disappeared is evident from the relative contraction of the import trade. The imports of merchandise were smaller than in any of the five preceding years, partly arising out of the reaction from an excessive trade carried on when exchange rose in the anticipation that the elevation could not be maintained, and importers found themselves heavily laden with stocks that had to be carried over, and new orders were deferred until they were reduced. About four-fifths of the whole decline is accounted for by a reduction in the imports of beet sugar from Germany whence a most excessive quantity had been received in 1897-98, the immediate (but temporary) effect of fiscal legislation in the United States to countervail the bounties given in the beet-growing countries of Europe. There was a large decline in Metals also, partly due to a reaction from a temporarily overdone trade in Iron and Steel and partly to an increase in the price of Copper. In Petroleum also there was a decline from the excessively high level of the preceding year, and there were smaller contractions in other articles, while in several there was an increased trade. On the whole the imports of merchandise were smaller by about $1\frac{1}{2}$ per cent than those of 1897-98, and those were not large compared with the trade of the three years which preceded it.

The importations of Gold and Silver, though very large, were smaller than *Gold and Silver* in 1897-98, and the exportations were larger. The conditions of exchange favoured the importation of Gold towards the end of the year and the currency reserve received a mass of gold coin from Australia. While the imports of gold were

much larger than in the preceding year, the exports were rather smaller. Practically it would seem that during the last two or three years hardly any gold but the gold produced in the Indian mines has been exported. Of Silver imports were smaller and exports larger than in 1897-98. No silver is produced in India and the exports therefore represent the outflow of imported silver, the coinage in the Bombay mint of British dollars for circulation in the Farther East accounting for the importation of a large quantity of silver, imported bars being received in the mint, coined, and exported at once. In the last two years these exports have approximated to $6\frac{1}{4}$ millions of Rx. There was also last year a large net export of Government rupees destined for Ceylon and Mauritius. The net imports (that is, imports after deducting exports) of silver last year did not quite reach Rx. 4 millions against nearly Rx. $8\frac{1}{2}$ millions in 1897-98. Those extensive imports no doubt account to a very substantial extent for the decline last year.

It seems singular that in times of drought and famine the feature of large imports of the precious metals should be so prominent. An explanation which suggests itself is that in such times there are always large tracts of the Indian region unaffected by drought and in a position to sell good harvests of grain at very high prices to the people of the afflicted tracts. A cultivator who is thus favoured unexpectedly with the highest price for a good crop does not think of improving his material condition. He may buy a new garment or two for himself or his women-folk, but apart from that, after reducing or cancelling the moneylender's account against him and paying his dues to the landlord or the State, the money he receives for his grain is partly converted into ornaments and partly expended in what is considered becoming display on marriages.

Course of Exchange.

For the first time for many years the course of exchange was unmarked by frequent and violent oscillations, the highest and lowest rate during the year being $16\frac{1}{8}d.$ and $15\frac{1}{8}\frac{1}{2}d.$ the rupee, the difference being no more than 3·3 per cent: in the four years preceding 1898-99 the difference between the highest and lowest point was from 10 to 12 per cent. Even greater stability has marked the course of exchange in the first five months of the present year, the highest and lowest rates being $16\frac{1}{8}d.$ and $15\frac{1}{8}\frac{1}{2}d.$, the difference being only 0·77 per cent. The course of operations in "forward" exchange in Calcutta and Bombay indicates that the continuance of stability is expected by the mercantile community.

Aggregate value of trade.

The aggregate value of the trade of the year—imports and exports together—and of the trade of the preceding nine years, is stated below, the figures on the left being inclusive, and those on the right exclusive, of Government transactions:

	Rx.	Rx.
1889-90 .	192,023,710	189,258,204
1890-91 .	196,260,383	193,162,014
1891-92 .	195,615,322	192,489,315
1892-93 .	196,829,486	193,079,831
1893-94 .	206,086,249	202,854,540
1894-95 .	200,250,050	196,699,461
1895-96 .	204,899,288	201,170,827
1896-97 .	198,123,528	193,709,370
1897-98 .	198,959,080	194,414,391
1898-99 .	210,208,286	206,393,952

An examination of the figures on the right should suffice to dispel the illusion that the volume of the trade of last year was of abnormal dimensions. In

the aggregate the trade was perhaps not quite as large as it would have been if the year had been uniformly good, and it may be anticipated that, given ordinary seasons, the aggregate of trade will in the years to come be well in excess of the Rs. 206,400,000 to which the trade of last year amounted. In an earlier paragraph reason was also given for anticipating that, whenever necessary, in ordinary seasons the excess of exports over imports would be as large as the excess of last year. If foreign capital should flow into India for judicious application in productive enterprises, the payment of the interest on it, and the payment of the sum drawn in Council bills, will cost no serious effort to India, provided the currency continues on a sound and stable basis and normal seasons follow each other. It is not reasonable, however, to expect that India should pay her way from revenue if a great famine should afflict the country. The cost of a famine, like the cost of a war, must be provided specially when the occasion arises. Nor is it reasonable to argue that the currency system adopted by India should be so devised as to provide against such contingencies. Currency legislation cannot be constructed to insure against such calamities any more than buildings can be constructed to resist a great convulsion in the crust of the earth. As in every other country, the shock of such disasters must be faced, and the work of repair and restoration begun as soon as they have passed away.

Meanwhile it is satisfactory to know that the currency system of India is *Trade with* about to be assimilated to those of the countries with which quite four-fifths of *countries.* her trade are conducted. Among these countries may rightly be included Ceylon and Mauritius, the currency of both those colonies being the currency of India. Our trade with the United Kingdom (imports and exports of merchandise) amounted in the year to 45 per cent of the whole trade in merchandise, including Government stores. Of imported merchandise upwards of 70 per cent was received from England, being either of English origin or shipped from the Continent to be re-shipped to India. Approximately 93 per cent of the merchandise imported into India is received from countries in which gold is the currency standard.

The share of the United Kingdom in the exported merchandise of India is much smaller than her share of the merchandise landed in India, being indeed not quite 30 per cent of the whole. Approximately 78 of the merchandise exported from India is destined for countries in which gold is the currency standard.

In the import trade the only marked feature was a decline in the trade with Germany, due to a restriction in the imports of sugar and salt. The decline in the importation of German sugar was, however, accompanied by a more than equal increase in sugar from Austria-Hungary.

In the export trade there was a large increase in shipments to the United Kingdom and the Continent, due partly to the revival following on good harvests in India and good trade in Europe and partly to the high price of wheat during a part of the year and the resumption of the rice trade after the temporary interruption of the famine. There was also satisfactory activity in the trade with countries in the African and Asiatic regions and with Australia; accompanied, however, by a contraction of trade with the United States and with the South American Continent.

With the active resumption of trade there was a large increase in the steam *Shipping.* tonnage which entered and left Indian ports:

	Entered.	Cleared.
Number of steamers	2,479	2,443
Tonnage	4,078,078	4,012,662

The change which has been effected in the conditions of sea transport becomes more marked every year. Sailing vessels in the foreign trade, though still as numerous as steamers, have only an eighth of their tonnage, and the tendency is for the tonnage to shrink rather than to enlarge, but for a long period to come the Indian seas will carry small sailing craft conveying trade between India and Ceylon, the Straits, Siam, and the African and Arabian coasts. They will probably exist long after the large sailing vessels of the most modern type have become obsolete. The number and tonnage of sailing vessels in Indian ports last year were:

	Entered.	Cleared.
Number of vessels	2,418	2,328
Tonnage	505,108	519,798

The average tonnage of these vessels, like their total tonnage, is only about an eighth of the tonnage of the steamers employed in the Indian oversea carrying trade.

Tariff legislation.

The only important change in the Customs tariff was the addition, near the end of the year, to the import duty on sugar of countervailing duties on sugar imported from, or produced in, countries in which bounties are granted on the exportation of sugar.

Frontier trade.

In the trade carried over the Indian frontier there was a very satisfactory expansion, the natural reaction to be expected after the cessation of the prolonged military operations on the north-western frontier and the disappearance of famine and incidental high prices. The value of the trade was Rx. 11,382,668, which was about $7\frac{3}{4}$ per cent in excess of the trade of either of the two preceding years. There was a material expansion of the trade with Kandahar and with Kabul, though in both cases the policy of the Amir has sensibly restricted trade and the transit trade to Persia and Turkistan has practically disappeared, traders finding the sea route by the Persian Gulf and the Black Sea more convenient, expeditious, and economical. The trade with Bajaur also increased greatly, though it did not attain the dimensions of the year preceding the outbreak of the tribes. The increased resort of Europeans to the valley of Kashmir, the administrative and fiscal reforms which have been in full progress there in recent years, and the convenience of the railway to Jamu, have created a large and expanding trade with that State. The trade with Nepal is slightly less than in 1897-98, but the trade of that year was exceptionally large. This trade has an indefinite capacity for expansion if only the administration of the State would adopt the policy of the Kashmir administration. The trade between Burma and Western China continues to be disappointingly small, and the trade with Siam is also small and fluctuating. With the Shan States, Northern and Southern, a large trade is carried on, principally in teak timber, but these States would now with greater accuracy be classed as British territory instead of foreign territory.

Of the frontier trade generally it may be said that over a large part of the frontier there is no prospect of development of trade with unpeopled dreary wastes, and that trade with other trans-frontier regions, such as Afghanistan, Nepal, and China, is impeded by the fiscal restrictions and prohibitions of the rulers of those countries, or by the absence of ways of communication which end abruptly on the British side of the frontier, or by the combination of both causes.

It is well to note as a caution that the registration of this trade is most imperfect, for the conditions make registration difficult and not much interest is taken by the provincial administrations in overcoming the difficulties. The figures must therefore be regarded as general indications rather than actual facts.

PART II.

Imports of Merchandise.

The value of imported merchandise since 1869-70, stated in the average of six quinquennial periods, is as follows :

	Rx.	Exchange (pence).
(1) 1869-70 to 1873-74 .	31,837,600	22.77
(2) 1874-75 to 1878-79 .	36,603,400	20.98
(3) 1879-80 to 1883-84 .	47,950,000	19.77
(4) 1884-85 to 1888-89 .	58,515,400	17.65
(5) 1889-90 to 1893-94 .	67,748,900	16.18
(6) 1894-95 to 1898-99 .	69,784,900	14.51

In 1898-99 the value of imports was Rx. 68,380,341, the rate of exchange averaging for the year 15.98*d.*, being just a shade under the 1*s.* 4*d.* rate provisionally adopted by the Government in 1893 and now finally adopted.

The first indications of a permanent recovery in the sterling value of the rupee were given in the autumn of 1896, the rate rising when famine declared itself. Thenceforward the rate tended upward, with fluctuations, approximating to 1*s.* 4*d.* from the beginning of 1898 and standing at about that level since then.

The value of the imports of the year was $1\frac{1}{2}$ per cent less than that of the preceding year. The imports of that year and of the year before were, however, large, mainly under the stimulus of a rising exchange the continuance of which was not anticipated. As usual, the rush to place goods on the market was followed by a pause until the contents of overflowing warehouses passed into the hands of consumers. The principal articles, and the percentage of increase or decrease in their values, are stated below :

	1896-97.		1897-98.		1898-99.	
	Increase.	Decrease.	Increase.	Decrease.	Increase.	Decrease.
Apparel	...	4.9	...	19.2	12.7	...
Coal	...	30.2	...	45.3	30.1	...
Cotton goods	15.5	...	...	11.3	3.1	...
Drugs, medicines, and narcotics	...	8.8	8.4	...	...	3
Dyeing and tanning materials	...	14.9	5	...	1.2	...
Glass and glassware . . .	...	5	...	18.1	14.9	...
Liquors	...	3	...	3.4	3.7	...
Machinery and millwork . .	8.4	...	...	18.6	6.9	...
Metals	...	15.1	9.1	...	...	13.5
Oils	9.6	...	20.5	...	...	14.3
Provisions	...	13.8	10.9	...	...	10.2
Railway materials	*68.3	...	7.8	...	2.4	...
Salt	...	3.8	38.2	...	...	23.9
Silk, raw and manufactured .	...	23.7	...	18.9	18.7	...
Spices	...	8.3	23.1	...	19.4	...
Sugar	1.4	...	51.8	...	...	16
Woollen goods	17.1	...	...	32.1	32.7	...

With the exception only of dyes and spices those articles in which there was a decline in 1897-98 recovered last year, and articles which did well in 1897-98 fell off last year.

In the cases of dyes and spices the increase last year followed an increase in the preceding year too. A sudden and extremely large increase in the imports of sugar in 1897-98 was followed by a sharp decline last year.

The fluctuations in the prices of the staple imports since 1873 are stated below, the prices of March 1873 being taken to represent 100:

	Grey Shirtings, 8 to 9 lbs.	Mule Twist, Grey Yarn, Banner Mills, No. 40.	Copper, Sheathing.	Iron, Flat, Bolt, etc.	Total.
March 1873 . . .	100	100	100	100	400
June 1874 . . .	97	92	95	108	392
March 1875 . . .	86	92	103	93	374
" 1876 . . .	86	90	99	79	354
January 1877 . . .	78	90	92	67	327
" 1878 . . .	73	78	86	60	297
" 1879 . . .	76	75	80	56	287
" 1880 . . .	81	84	83	73	321
" 1881 . . .	82	82	81	56	301
" 1882 . . .	77	81	90	71	319
" 1883 . . .	82	74	80	60	296
" 1884 . . .	75	74	77	62	288
" 1885 . . .	76	72	64	54	266
" 1886 . . .	84	67	57	50	258
" 1887 . . .	81	62	65	53	261
" 1888 . . .	79	75	90	61	305
" 1889 . . .	81	75	98	65	319
" 1890 . . .	76	74	69	79	298
" 1891 . . .	74	70	71	62	277
" 1892 . . .	74	64	72	64	274
" 1893 . . .	77	74	80	97	328
" 1894 . . .	70	69	83	94	316
" 1895 . . .	71	70	90	106	337
" 1896 . . .	69	77	85	111	342
" 1897 . . .	70	66	85	110	331
" 1898 . . .	64	61	90	111	326
" 1899 . . .	62	57	87	111	317
July 1899 . . .	84	57	104	122	367

There has been a considerable advance recently in iron and copper, and copper especially stands at a level high enough to discourage its free use in India for domestic purposes.

The value of the trade in each of the classes under which all articles are grouped in the accounts in the last five years was, in Rx:

	1894-95.	1895-96.	1896-97.	1897-98.	1898-99.
1. Animals, living (mostly horses) .	269,044	308,585	367,458	227,631	329,306
2. Articles of food and drink .	8,386,580	8,722,870	8,848,889	10,740,816	9,189,556
3. Metals and manufactures of metal, hardware and cutlery, machinery and millwork, rail- way plant and rolling-stock .	10,393,720	13,014,932	13,076,565	13,261,341	12,490,115
4. Chemicals, drugs, medicines, and narcotics, and dyeing and tan- ning materials .	1,866,294	2,160,649	1,889,980	2,060,544	2,013,412
5. Oils .	2,221,222	3,137,420	3,439,150	4,146,566	3,552,005
6. Raw materials and manufactured articles .	4,420,938	4,852,024	3,610,486	2,826,308	2,971,876
7. Articles manufactured and partly manufactured .	42,609,640	37,119,915	40,561,301	36,003,457	37,834,071

The decline in *articles of food and drink* resulted from the return of the trade in food-grains to its normal dimensions when the level of prices fell after the disappearance of famine, and from the contraction of the trade in sugar after a sudden and speculative increase in the trade in 1897-98.

In *metals* the decline followed on quite excessive importations in 1897-98, on the increase in the price of copper and iron, and on a smaller need for railway material.

The decline in *oils* also followed an excessive importation in the preceding year.

An increase in *manufactured articles* followed on a more or less contracted trade in the preceding year in cotton, woollen, and silk goods, and apparel and other items.

ANIMALS, LIVING.

There was a complete recovery in the importation of horses from Australia from the depression which marked the preceding year. A larger number of horses was also brought to Bombay from the Persian Gulf.

Apart from this trade in horses, of which a considerable number are brought to India for sale to the Government as army remounts, the trade in animals is quite trifling.

ARTICLES OF FOOD AND DRINK.

The reduction in the imports of *grain and pulse*, and their return to their normal dimensions, as indicated by the figures in the table appended, are a most satisfactory feature in the accounts of trade. With the return of good seasons and good harvests the quantity of grain in the country became ample and prices fell to a relatively low level:

	Cwt.			
	1895-96.	1896-97.	1897-98.	1898-99.
Barley	16,219	123,452	41,961	3,391
Jawár and bajra	35,089	112,729	100,528	412
Pulse	34,426	80,494	90,930	28,934
Rice	18,027	27,857	702,738	13,555
Wheat	144,974	601,356	46,325	47
Wheat flour	11,450	12,135	28,586	8,304
Other sorts	46,148	122,579	61,347	4,528
Total	306,333	1,080,602	1,072,415	59,171

Liquors.—The importations of *malt liquor* (most of it British, or imported from the United Kingdom) recovered to the fullest extent after the relative contraction in the trade in the preceding year. The production of Indian beer also increased, though it did not reach the level attained in former years:

<i>Imported.</i>		<i>Locally brewed.</i>	
	Gallons.		Gallons.
1893-94	2,787,672	1893	5,532,725
1894-95	2,514,041	1894	6,121,905
1895-96	3,048,743	1895	6,238,877
1896-97	3,022,171	1896	6,313,946
1897-98	2,835,298	1897	5,428,383
1898-99	3,227,164	1898	5,896,594

Broadly, the quantity of beer brewed in India is double the quantity imported, but in Northern India they hardly compete. There the British army is supplied under contract with Indian beer, and the civil European population (natives do not drink beer) consume little but imported beer. In Western and Southern India, however, where the British soldier is not supplied with beer by the State, there is an active competition between imported and Indian beer, about 76 per cent of the beer imported being brought to the provinces in which there is no contract supply of beer.

Spirit.—The importations were larger than in 1897-98, amounting to 1,263,348 gallons, of which 546,200 gallons consisted of whisky. The different kinds of spirit imported, and their relative proportions, are:

	Gallons.
Whisky	546,197
Brandy	290,556
Gin	64,252
Rum	51,390
Liqueurs	14,615
Other sorts of potable spirit	145,578
Methylated	85,241
Perfumed	16,352
Medicated	49,167

The undescribed kinds of potable spirit consist chiefly of arrack from Colombo and "white spirit" from Germany, imported, it is understood, to be treated with flavouring and colouring matters and sold as brandy. Germany not only sends to India the materials for the local manufacture of brandy, but also sends us brandy made in Germany to the extent of over 37,000 gallons and about 15,000 gallons of whisky, also made in Germany.

Of *wines* there was a slightly larger importation than in 1897-98, when the trade fell to a very low level. It is, and is likely to remain, a small trade, for there is hardly any demand for wines outside the European community, and 320 or 330 thousand gallons in a year do not go far even amongst them.

Provisions.—This trade was much smaller than in 1897-98, partly because the imports in that year of salted fish into Burma were excessive, and partly because the supplies of ghi failed, from seasonal causes, in the localities whence it is imported. So great indeed was the failure of pasturage for cattle on the littoral whence ghi is imported that the trade was almost extinguished for the time, and was replaced by an extremely large export of Indian ghi. In Turkish Arabia the grain harvest was scanty, and as usual on such occasions the export of grain was prohibited. Prohibition was indeed carried a step further, the authorities also forbidding the exportation of dates, in order that these might take the place of grain as food for the people. This is typical of Oriental methods from the Euphrates to the Yangtze.

Salt.—After a restricted trade for two or three years the unusually large quantity of 486,716 tons was imported in 1897-98. Last year the importations continued on a high level, though not nearly so high as in 1897-98, amounting to 411,865 tons. The supply from all the principal sources was smaller, Egypt excepted. As yet the completion of the East Coast railway has had no appreciable effect on the quantity of salt imported from foreign countries, or on prices, in Bengal, though Madras salt is competing freely in Orissa with

Liverpool salt and should be able to drive it out of the market in that part of the country without much effort. But Madras salt will hardly displace imported salt to any serious extent beyond the terminus of the East Coast railway until the bridging of the rivers crossed by the line is completed and the need for transshipment averted.

The efforts of other countries to oust British salt from the market do not seem to command increasing success, for of the quantity imported as much as 261,391 tons, being 63 per cent, were received from Liverpool.

Spices.—A considerable increase in the value of this trade was the result of active importations, at high prices, of betelnuts and cloves. With the exception of cloves and nutmegs all the spices imported compete with Indian production, and the fluctuations in the trade arise almost entirely out of the conditions which affect the quantity produced in India and in the other spice-growing countries, these, so far as supply to India is concerned, being the Straits Settlements, Ceylon, and Zanzibar (cloves). The dimensions of the trade over a series of years will be determined almost exclusively by the growth of population and their capacity for paying for spices to eat. It is not likely that there will be any change of habits leading them to diminish or discontinue the consumption of betelnuts, cardamoms, cinnamon, cloves, or capsicums which enter in only an infinitely small degree into the consumption of Europeans.

Sugar.—This trade has doubled in quantity in six years, and the value has also expanded very largely :

	Cwt.	Rx.
1893-94 . . .	2,127,905	2,824,190
1894-95 . . .	2,490,611	2,875,297
1895-96 . . .	2,730,963	3,106,813
1896-97 . . .	2,861,400	3,151,829
1897-98 . . .	4,608,630	4,784,479
1898-99 . . .	4,077,499	4,016,999

The main sources of supply during this period are :

	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.	1898-99.
	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.
Mauritius . . .	1,361,649	1,753,003	1,571,993	1,666,845	1,778,016	2,104,111
Austria-Hungary . . .	11,549	7,093	4,934	115,514	945,787	1,063,737
Germany . . .	189,301	274,632	718,218	758,806	1,203,309	413,971
China . . .	351,294	220,511	206,049	139,310	291,175	185,682
Java . . .	99,976	140,030	109,998	97,458	140,485	162,500
Straits . . .	86,873	81,497	108,045	63,497	74,912	77,207

The supply from Mauritius, which was 64 per cent of the whole in 1893-94, was 52 per cent of the whole last year. Meanwhile, however, Germany and Austria—especially Austria—pressed forward supplies in response to the increasing demand facilitated by the extension of railways and the favourable rates given on some of them for the conveyance of sugar inwards from the coast. Favoured by the grant of bounties on exports, Austrian beet-sugar entered the country in large quantities in the last two years, to the detriment of German beet-sugar which had been imported in rapidly increasing quantities for three years, but suddenly declined heavily last year. The cane-sugar of Mauritius maintained and improved its place in the face of this competition, as did also the cane-sugar of Java, but the import trade in that sugar from China and the Straits has not

thriven—though it may be that, as much of that sugar is of Philippine origin, the state of those islands for the last two years may afford as good a reason for the decline as the competition of beet-sugar.

In the trade of the last two years, while cane-sugar has improved its position, beet-sugar has fallen away :

	1897-98.	1898-99.
	Cwt.	Cwt.
Cane-sugar	2,426,502	2,569,102
Beet-sugar	2,182,128	1,508,397

The principal competition with Indian sugar has therefore, so far, been that of cane-sugar, beet-sugar having in only one year of the series attained comparatively large dimensions. It is probable that in the towns, where alone refined sugar is consumed in India, the consumer of confectionery would sooner or later learn to prefer the appearance of sweets made with refined sugar in supersession of Indian unrefined sugar and the *halwāi* be induced by its cheapness to extensively employ beet-sugar. But it is not possible now to say how soon this change of habit might have occurred, or to what extent it would have affected the consumption of Indian unrefined sugar. The Government of India decided at the end of the year to follow the example set by the United States a year or two ago and to neutralise the effect of the Continental bounties by the imposition of countervailing duties on bounty-fed beet-sugar. The additional taxation did not fall on any sugar imported before the end of the year, and there are as yet no data for judging what the effect on the trade may be. The effect on prices of Indian as well as of imported sugar was of course immediate, as usual in all such cases. The question which occurs is whether, in face of the great extension of production in the beet-growing countries, the rise in price will be maintained. Probably not, but, however this may be, it is safe to say that nothing can save the small, inefficient, and crudely worked native refineries scattered in hundreds over the villages and towns of the sugar-growing tracts of India. It is quite truly observed in a recent Consular report on the trade of Austria-Hungary, that “the low and consistent retrogression in the price of raw sugar renders the existence of any but large establishments conducted on the most modern and economical lines a practical impossibility. With prices ranging on an average from 11 florins to 12 florins per metric cental, as has actually been the case for several years past, the competition of the smaller factories is precluded, handicapped as they mostly are by heavy working expenses.” If this is true for the European Continent it is also true, and in a greater degree, of the Indian Continent. The essential want in connection with the sugar industry is the introduction into it of capital and enterprise which will enable the country to refine for itself all the sugar needed for its consumption, dispensing with the necessity for imports whether from Austria-Hungary or from Mauritius.

Tea.—The sources of supply are China, Ceylon, the Straits, and Java, from which countries the imports in the last six years have been (in lbs) :

	China.	Ceylon.	Straits.	Java.	Total.
1893-94	6,016,244	980,507	360,770	308,333	7,687,757
1894-95	4,630,327	901,971	413,417	362,366	6,326,122
1895-96	5,890,052	997,925	399,792	187,438	7,497,703
1896-97	6,342,962	748,127	431,672	306,328	7,874,832
1897-98	1,689,564	1,059,716	450,585	291,674	3,515,013
1898-99	1,751,653	1,108,686	479,849	286,353	3,659,442

The bulk of the imports is destined for re-exportation, either by land or by sea, to Afghanistan, Persia, and Turkistan. The transit trade to Turkistan has, however, been extinguished by the taxation imposed by the Amir and even more effectually by the fiscal policy of the Russians who have placed a heavy load of taxation on tea entering Turkistan by the Persian and Afghan frontiers and have largely reduced the import duty on tea carried into Turkistan through European Russia. The effect of these measures is that no tea will now be carried into Turkistan except by way of the Black Sea and the Caspian, and Northern Persia also is now more cheaply supplied with tea from the Caspian than from the Persian Gulf. Foreign tea taken by that route will not be landed at Bombay for reshipment, Colombo being a more convenient port, especially as tea carried in the vessels of the Russian volunteer fleet receives special concessions; the local trade of Afghanistan and Southern Persia does not offer much prospect of development; and the trade, which has already in two years fallen away to half its dimensions, will probably decline still further. Another disadvantage of the Russian fiscal policy is that Ceylon tea will have an opportunity of making its way in Russia which will be denied to Indian tea.

METALS AND MANUFACTURES OF METALS.

Hardware and Cutlery.—The value of the trade was slightly lower than in the preceding year, the restriction being in cutlery and in agricultural and other implements:

	1897-98. Rs.	1898-99. Rs.
Cutlery	98,970	87,452
Agricultural implements . .	88,838	61,230
Other implements and tools .	124,860	99,276
Sewing machines	32,671	55,932
Unspecified hardware . . .	1,119,426	1,126,234
TOTAL	1,464,765	1,430,124

The United Kingdom continues to supply these articles to the extent of rather more than three-fourths of the whole imports, while supplies from Belgium, Germany, and Austria continue to stand at about the proportion of 19 per cent.

Copper.—The trade in this metal follows closely the fluctuations in its price and in the material condition of the people. In a time of scarcity and famine the imports fall in a marked degree, the copper utensils of the household being the first articles parted with in the pinch of distress. For the time earthen utensils are substituted and the stock of copper in the braziers' shops accumulates. When plenty reigns again copper pots are in active demand and the import trade is lively. The latest illustration of this feature of Indian domestic life is to be found in the heavy reduction of imports in the famine year 1896-97 and the active trade of the following year. Some years ago, when a French syndicate was formed to monopolise the copper of the world, prices were for a time raised to a very high level, and the imports into India declined correspondingly, the dealers drawing on their stocks rather than buy at the advanced rates and the consumer contenting himself with the old brass lota and plate in his possession rather than renew them at higher rates. With the return of prices to a lower level on the collapse of the syndicate imports promptly revived. Something similar has been in operation for some time past: the prices of copper have advanced rapidly to an unusually high level and the demand for copper—for

domestic purposes at any rate—has fallen greatly, the imports of last year having been but little larger than those of the famine year, while the metal has been exported from India in unusually large quantity. The imports have been, in cwt :

	1894-95.	1895-96.	1896-97.	1897-98.	1898-99.
United Kingdom	290,133	355,580	143,272	235,467	196,531
Belgium	4,707	54,149	26,429	23,746	21,892
Australia	1,000	7,093	16,574	21,281	...
Ceylon	696	493	1,594	18,838	110
China and Japan	51,223	48,480	43,321	14,784	21,957
Total from all countries	354,107	471,824	240,648	322,348	251,301

Iron and Steel.—A considerable store of metal was left in hand from the large importations during the two or three years preceding 1898-99, and, prices having risen to a relatively great height, the trade of the year was somewhat restricted :

<i>Iron.</i>		<i>Steel.</i>	
	Cwt.		Cwt.
1893-94	3,709,617	1893-94	1,039,819
1894-95	3,250,403	1894-95	905,333
1895-96	4,000,246	1895-96	1,702,253
1896-97	3,889,626	1896-97	1,552,928
1897-98	3,937,910	1897-98	1,847,105
1898-99	3,290,341	1898-99	1,682,904

The appended list enumerates the principal forms in which iron and steel are imported and those in which iron is being discarded in favour of steel :

	1895-96.	1896-97.	1897-98.	1898-99.
<i>Iron.</i>	Cwt.	Cwt.	Cwt.	Cwt.
Angle, bolt, and rod	757,795	781,613	737,239	595,999
Bars	593,426	538,458	536,004	535,257
Galvanised	726,430	814,459	762,930	682,997
Sheets and plates, black and tinned	561,887	485,440	602,367	439,857
Pipes and tubes	383,771	351,985	393,330	287,816
Beams, pillars, girders, and bridge-work	244,774	153,516	101,407	69,719
Pig	201,057	260,958	227,415	244,224
Nails, screws, rivets, and washers	211,355	179,476	206,711	162,535
Hoop	92,394	89,923	84,226	82,756
<i>Steel.</i>				
Bars	598,943	582,501	800,338	699,144
Beams, pillars, girders, and bridge-work	*	*	287,482	292,258
Sheets and plates	321,511	287,838	278,652	241,835
Hoop	223,536	221,743	235,977	230,879
Cast	8,516	15,330	25,248	16,149

* Not separately enumerated.

The figures in the subjoined table illustrate the extent of the competition of Belgium and Germany with England in the supply of iron and steel to the Indian market (in cwt.) :

	From United Kingdom.		From Belgium.		From Germany.	
	Iron.	Steel.	Iron.	Steel.	Iron.	Steel.
1883-84 . . .	3,473,619	240,149	86,657	10,981	9,411	1,609
1884-85 . . .	3,423,559	263,433	165,488	24,287	5,209	1,400
1885-86 . . .	3,322,511	255,871	152,069	20,629	4,146	1,850
1886-87 . . .	3,102,856	327,744	162,043	19,240	3,922	2,154
1887-88 . . .	4,077,292	372,824	188,584	42,913	8,148	3,283
1888-89 . . .	3,715,081	456,550	262,436	77,976	11,928	7,063
1889-90 . . .	2,983,080	385,916	606,544	66,375	5,425	10,099
1890-91 . . .	3,306,381	462,671	536,076	164,874	13,134	76,235
1891-92 . . .	2,859,753	347,816	776,328	301,573	28,559	123,086
1892-93 . . .	2,382,578	270,751	1,153,411	283,817	34,727	66,712
1893-94 . . .	2,320,839	420,158	1,223,332	518,395	102,334	100,188
1894-95 . . .	1,956,721	369,753	1,176,179	448,091	75,264	84,083
1895-96 . . .	2,479,453	710,581	1,379,139	936,498	49,106	52,753
1896-97 . . .	2,417,646	713,661	1,295,585	806,815	58,835	26,031
1897-98 . . .	2,723,997	810,358	1,035,374	1,001,127	38,105	25,061
1898-99 . . .	2,085,049	765,086	1,007,618	849,006	41,098	21,962

Last year the United States entered in the competition with about 35,000 cwt. of steel. It may be taken that any iron or steel reaching this country from the United States was made in the States, and that metal reaching us from Germany is German in origin ; but uncertainty attaches to the origin of metal shipped to India from the United Kingdom and Belgium. In the former case some may be of foreign origin—Belgian, German, or Swedish; in the latter some may be of German origin.

Copper, iron, and steel constitute 95 per cent of the quantity of imported metals, iron and steel being about 91 per cent of the whole. The imports of the other metals are :

	1895-96. Cwt.	1896-97. Cwt.	1897-98. Cwt.	1898-99. Cwt.
Brass . . .	10,718	9,812	13,177	8,729
Lead . . .	121,686	123,434	114,283	100,795
Quicksilver . . .	3,163	2,323	2,823	2,270
Tin . . .	50,329	36,397	38,628	29,198
Zinc . . .	89,861	44,830	62,708	74,714
Others . . .	9,488	10,205	17,657	24,636

Brass, tin, and zinc ordinarily follow the fluctuations of copper. Lead at present is mainly imported in the form of sheets for the lining of tea chests, but there ought to be a larger demand in the future for other forms with the spread of hydraulic and sanitary improvements in the large municipalities : old practices, however, die hard in India.

Machinery and Millwork.—The imports have been :

	Rx.		Rx.
1893-94 . . .	2,518,038	1896-97 . . .	3,509,162
1894-95 . . .	2,442,433	1897-98 . . .	2,857,777
1895-96 . . .	3,237,401	1898-99 . . .	3,055,931

The decline in 1897-98 was mainly due to the severe stringency in the money market and the dislocation of business in Bombay, which interfered with the formation of new mills and factories. In Bengal last year there was a further

decline, due to local conditions which were adverse to the cotton and jute mills. It may be hoped that a period of large imports of machinery and millwork is now about to begin. The importations have been thus distributed in the last three years (Rx) :

	1896-97.	1897-98.	1898-99.
Bengal	1,824,942	1,378,893	999,125
Bombay	1,229,401	1,014,112	1,607,652
Sind	99,088	51,957	63,944
Madras	252,560	322,143	254,497
Burma	103,171	90,672	130,713

Railway Material.—The importations are as follow.:

	For Companies. Rx.	For the State. Rx.
1893-94	1,242,977	1,091,586
1894-95	1,556,967	1,246,216
1895-96	1,520,584	2,019,534
1896-97	2,558,598	2,412,748
1897-98	2,758,551	2,589,717
1898-99	2,824,815	2,051,050

The imports, though smaller than in 1897-98, continued on the large scale which began in 1895. The value of the imports of the last three years exceeds Rx. 15 millions, a great sum for India to expend on railway material. A small importation of rails from the United States in 1897-98 was followed by another and larger one last year, about 4,000 tons of American rails having been imported. If there is going to be competition, however, it is as yet in its infancy, for the rails imported from the United Kingdom (for companies) in the year amounted to 76,000 tons, being in the proportion of 19 English tons to one American ton.

CHEMICALS, DRUGS, MEDICINES, NARCOTICS, DYEING AND TANNING MATERIALS.

In these articles there was a small reaction from the active trade of the preceding year. The articles are extremely numerous, and none of the fluctuations are of any significance. The more important items are chemicals for paper-making, sulphuric acid, bicarbonate of soda, sulphur, and sal ammoniac; but only half of the chemicals imported are enumerated. It would be satisfactory to record a decline in the imports of chemicals resulting from their local manufacture, for manufacturing industry in many branches is greatly obstructed by the necessity of importing the great bulk of the chemicals required, much expense being incurred on account of breakages, waste, and deterioration. But at present there is but little done in the local manufacture of chemicals.

Of *drugs* also more than half the imports consists of articles not enumerated—largely of patent remedies which are freely scattered over the country for the cure of the ignorant. Of the enumerated kinds the most important are camphor, cassia, asafoetida, and quinine. Perhaps asafoetida is used even more extensively in connection with food than as a drug.

The importation of *tobacco* in its various forms continues on an extensive scale, having regard to the fact that the consumption of imported tobacco is practically restricted to the Anglo-Indian population and that the use of Indian cigars

is very popular amongst them. Nevertheless the value of imported tobacco approximates to Rx. 300,000, more than two-thirds of that sum being the value of manufactured tobacco, other than cigars, that is, pipe tobacco and cigarettes, especially the latter.

DYEING AND TANNING MATERIALS.

These importations were slightly larger than in the two preceding years, when the trade in alizarine and aniline dyes was restricted because the importations in 1895-96 were excessive and were followed by the dislocation of business in Bombay resulting from plague and famine. The quantity imported last year was extremely large, under the influence of low and falling prices, and possibly the markets are oversupplied.

OILS.

Mineral oil.—The large importations of 1897-98, when 87 million gallons were imported, were followed by the more moderate, but still considerable, importation of 82 million gallons last year. Of this quantity 50,900,000 gallons were Russian oil and 23,600,000 gallons American. All the kerosene oil from the United States is imported in cases, Russian and Sumatran oil being imported to some extent in bulk: about 22 million gallons were so imported last year. The imports of oil from Sumatra have not been maintained, the trade declining from $7\frac{1}{2}$ million gallons in 1897-98 to under $4\frac{1}{2}$ millions last year. It is reported that there are indications of the Sumatran oil fields giving out, but it is perhaps quite as likely that exporters find a readier market in countries further east than India, and nearer Sumatra, where competition with oil from Batoum is easier.

The petroleum wells of Burma and Assam have not yet produced enough oil to enter into active competition on a large scale with imported oil, though the refining operations in Rangoon have attained respectable dimensions.

RAW MATERIALS AND UNMANUFACTURED ARTICLES.

Coal.—The importations were larger than in 1897-98, but smaller than in any other year, and the time is evidently fast approaching when India will take only those qualities of imported coal which are required for smithy work and cannot be (or have not yet been) found in the country. The imports of the year were only 359,000 tons, the production amounting to 4,605,000 tons. Most of the imported coal is landed at Bombay and Karachi where Bengal coal still, in consequence of the cost of transport, finds competition difficult, but even there the use of native coal spreads every year. In Madras also the completion of the East Coast railway has to a very great extent thrust imported coal from the market, for which Raniganj and Singareni are now competing.

Cotton.—This small trade is of interest because the bulk of the imports consists of American and Egyptian long-stapled cotton required for the spinning of the higher counts of yarn for which the short-stapled Indian cotton is unsuitable. From the point of view of the development of such spinnings in the Indian mills the restricted dimensions of the imports are to be regretted, for they indicate that the competition between Indian yarn and imported yarn is ineffective as regards the finer counts. The efforts made to grow and acclimatise Egyptian cotton in India remain in the experimental stage, and the prospects of success are not entirely hopeful, but conditions have not been favourable up to the present.

In the importation of *Silk*, as in that of cotton, the interest of the trade centres in Bombay where the silk is woven. The trade has recovered to some extent from the depression caused by local conditions, often mentioned during the last three years, but continues relatively restricted.

The other articles enumerated in this class are of small importance. The larger of them are here mentioned, with their values (in Rx) :

	1897-98.	1898-99.
Gums and resins	105,717	109,370
Hides and skins	99,615	98,967
Ivory	214,926	212,866
Precious stones and pearls, unset	450,490	389,953
Pitch, tar, and dammer	62,818	65,394
Seeds	75,074	59,501
Teak and other wood and timber	175,333	140,179
Wool	124,384	91,497

Gums and resins, and ivory, reach Bombay from the East African coast, to be re-exported, and the bulk of the pearls imported from the Persian Gulf—at least most of those which are of good size and shape—are also re-exported ; so is the wool. In this last article the restricted trade must be ascribed to failure of supplies in the localities whence most of the wool is imported as well as to a fall in prices in the English market.

MANUFACTURED ARTICLES.

Cotton yarn.—A very active import in the second half of 1897-98 was followed last year by a relatively restricted trade. The imports of yarn are subject to violent fluctuation, having fallen in the last ten years as low as $38\frac{1}{2}$ million pounds, and risen to $58\frac{1}{2}$ millions. The last figure, however, was exceptional, and the imports averaged—

In the five years ending 1892-93	47·724 million lbs.
In the five years ending 1897-98	47·822 „ „

Last year the imports were $45\frac{1}{2}$ million lbs. Considering the increase of population in the period, it is clear that the yarn spun in the Indian mills occupies an ever-increasing place in the market.

The following were the counts (or numbers) of the yarn imported last year :

	lbs.
Nos. 1 to 20	3,632,000
„ 21 to 25	2,461,000
„ 26 to 30	6,838,000
„ 31 to 40	26,580,000
„ 41 to 50	1,744,000
Above No. 50	2,170,000

The counts from No. 26 to No. 40—being what are known as the medium counts—constitute about three-fourths of the imports. The spinning of these counts can be effected only by the use of cotton of longer staple than is grown in India, and hence the importance of either acclimatising Egyptian cotton on Indian soil, or of importing the raw material from Egypt or America. At the low price of cotton which now prevails, and seems likely to continue, such importation is feasible, and, if the cost of the raw material were the sole consideration, would be profitable ; but alterations of machinery are also involved

in a change from short to long stapled fibre, and superior skill and deftness are required from the operatives. Further, a considerable development in dyeing would be necessary, for about half of the imported yarn is coloured.

Cotton fabrics.—This extensive trade, which last year constituted 36 per cent of all the merchandise imported, is as fluctuating as the trade in cotton yarns, and, like that trade, gives no indication of advance. The fabrics imported may be grouped in three large classes, unbleached piece-goods, bleached piece-goods, and dyed piece-goods, each class of course including an infinite variety of cloths. The imports and relative proportions of each class are indicated by the figures appended:

	Grey (unbleached).	White (bleached).	Coloured, printed, or dyed.
	Yards.	Yards.	Yards.
1889-90 . . .	1,257,001,000	339,098,000	400,949,000
1890-91 . . .	1,280,540,000	373,149,000	360,335,000
1891-92 . . .	1,173,176,000	361,395,000	348,117,000
1892-93 . . .	1,092,584,000	376,359,000	339,111,000
1893-94 . . .	1,314,038,000	393,130,000	422,320,000
1894-95 . . .	1,352,272,000	497,332,000	408,072,000
1895-96 . . .	1,066,446,000	333,754,000	314,680,000
1896-97 . . .	1,222,920,000	414,154,000	359,916,000
1897-98 . . .	1,149,480,000	432,732,000	278,386,000
1898-99 . . .	1,257,721,000	414,959,000	396,420,000

Here we find a restricted trade in grey and coloured goods followed last year by an increase; while a relatively large trade in bleached goods was followed by a small decline. It will be noticed that the trade may be said to average about 1,200 millions of yards of grey goods and 800 millions of yards of the other two classes, or about 2,000 million yards altogether.

The principal varieties of goods under each of the three great classes, and the quantity of each variety imported last year, are stated below (in millions of yards):

Grey.	White.	Coloured.
Jaconets 96'85	Jaconets 28'05	Jaconets 3'94
Mulls 16'76	Nainsooks 146'05	Mulle 2'02
Printers 1'99	Mulls 84'21	Prints and chintz . . 158'11
Shirtings 591'64	Shirtings 63'97	Shirtings 55'56
Madapollams 28'71	Longcloths 1'79	Drills 5'36
T-cloths and domestics . 16'59	Cambrics, twills, mus- lin, and lawns . . . 10'24	Cambrics, twills, and muslins 79'28
Jeans, sheetings, and drills 19'24	Chádars, dhutis, sáris, and scarves 45'65	Chádars, dhutis, sáris, and scarves 30'28
Chádars, dhutis, sáris, and scarves 485'32	Drills and jeans . . . 4'29	
	Checks, spots, and stripes 10'21	

The extent to which these goods are supplied from England is indicated below (million yards):

	Total imports.	Imports from England.
Unbleached goods	1,257'72	1,251'58
Bleached „	414'96	409'15
Coloured „	396'42	385'15

Besides these three great classes there is a small importation of some other descriptions, of which the four mentioned below are the principal. In these there was an active trade last year.

	1897-98. Rx.	1898-99. Rx.
Handkerchiefs and shawls in the piece	87,664	128,305
Lace and patent net	24,507	43,000
Hosiery	192,753	282,168
Sewing thread	155,592	170,506

The aggregate value of the imports of cotton yarns and woven and other goods in the last five years was (in Rx):

	Yarns.	Woven and other goods.	Total.	Proportion of total imports of merchandise.
1894-95	2,851,254	29,822,374	32,673,628	46 per cent.
1895-96	2,971,090	22,784,782	25,755,872	37 „
1896-97	3,325,871	26,424,284	29,750,155	41 „
1897-98	3,493,038	22,901,794	26,394,832	38 „
1898-99	2,551,634	24,678,086	27,229,720	40 „

Silk goods.—The depression of 1897-98 passed away and was followed by a recovery in the trade, but its dimensions remained restricted, indicating that importers were drawing on the stocks which had accumulated in the time of scarcity and that the people were giving more thought to payment of debts and dues to the State and to moneylenders, to the replacement of stores of grain and of cattle and implements, than to the purchase of silken garments:

	Rx.
1894-95	1,277,420
1895-96	1,704,320
1896-97	1,366,669
1897-98	1,149,260
1898-99	1,361,793

The principal sources of supply of silk goods are the countries named below:

	1896-97. Rx.	1897-98. Rx.	1898-99. Rx.
China and the Straits	438,449	387,026	370,881
United Kingdom	319,185	264,703	287,383
Japan	159,449	241,811	245,413
France	129,844	77,319	201,219
Italy	134,247	93,396	114,838

The increase in the imports from England, France, and Italy indicates that the recovery in the trade was mainly due to a demand for European consumption, the demand amongst natives running chiefly on Chinese and Japanese silks. These last have been actively pushed in the Burmese market during the last two or three years, and are now solidly established there. As an indication of differences of taste it may be noted that Burma, with a population which is exceeded

ten times by the population which is served by imports into Bengal, takes four times as much silk.

Woollen goods.—As in the case of silks, the recovery last year from the depression of 1897-98, though considerable, was not complete :

	Rx.
1894-95 .	1,541,639
1895-96 .	1,445,517
1896-97 .	1,692,445
1897-98 .	1,148,427
1898-99 .	1,523,731

The imports consist mainly of piece-goods, shawls, carpets and rugs, and braids, in the proportions noted below. The piece-goods are, like cotton piece-goods, of many varieties, but these are not specified in the accounts of this relatively small trade :

	1896-97. Rx.	1897-98. Rx.	1898-99. Rx.
Piece-goods . . .	1,197,972	804,931	1,057,083
Shawls . . .	245,013	98,578	187,444
Carpets and rugs . . .	46,784	72,199	99,200
Braids . . .	52,063	46,748	39,527

The Indian woollen mills are apparently doing well, their capital having been largely increased in the year, along with the number of looms and spindles, and there was also a material increase in the production.

Other manufactured goods.—Of the other articles enumerated in this class the following are the most important. The value of the trade is here specified (in Rx) :

	1896-97.	1897-98.	1898-99.
Apparel, including boots and shoes . . .	1,516,095	1,224,562	1,380,486
Arms and ammunition, including dynamite and other explosives . . .	259,390	255,780	289,012
Books and printed matter . . .	236,568	198,153	211,804
Building materials . . .	166,532	204,920	202,333
Carriages and carts . . .	224,896	285,659	317,398
Candles . . .	109,975	107,884	92,292
Clocks and watches . . .	122,617	108,860	132,976
Earthenware and porcelain . . .	215,100	205,042	187,349
Glass and glassware . . .	704,046	576,463	662,293
Instruments and apparatus: scientific . . .	180,423	180,520	207,831
Jewellery and plate . . .	111,373	121,066	135,484
Leather and leather goods, excluding boots and shoes . . .	208,362	185,328	197,820
Matches . . .	284,806	417,195	379,789
Paints and colours and painters' materials . . .	339,960	324,376	334,037
Paper and pasteboard . . .	384,280	331,919	382,657
Soap . . .	117,067	124,371	131,659
Stationery . . .	331,880	277,304	289,982
Toys and requisites for games . . .	192,445	141,104	167,368
Umbrellas . . .	306,943	335,374	243,438

The importations of "carriages and carts" have increased threefold in four years owing to the cycling craze. Whether they will continue to increase admits of some doubt, for the ardour of that pursuit has been relaxed and prices have fallen, two circumstances which will operate against large expansion of the

value of the imports. Candles appear to be in the way of decline, owing to the success which has attended the efforts made by the owners of the Rangoon petroleum refinery to spread the use of their paraffin candles by the Burmese in the shrines attached to the pagodas; a considerable proportion of the imported candles find their market in Burma for that purpose. Umbrellas also appear to be in a declining way, owing to the importation of the ribs and covering separately and their local manufacture.

The articles in which there has been an increased trade need no remark, the revival in most cases following a depression and the larger value indicating an incomplete recovery.

The principal imports are here stated in the order of their value in the trade of last year. The values are stated in millions of Rx :

	1896-97.	1897-98.	1898-99.
Cotton goods and yarn	29'750	26'395	27'230
Metals, including hardware and cutlery	7'009	7'645	6'609
Sugar	3'152	4'784	4'017
Oils, chiefly mineral	3'439	4'146	3'552
Machinery and millwork	3'509	2'858	3'056
Railway material	2'559	2'758	2'825
Silk, raw and manufactured	2'242	1'819	2'159
Chemicals, drugs, medicines, narcotics, and dyes	1'890	2'060	2'013
Liquors	1'645	1'588	1'647
Provisions	1'537	1'706	1'532
Woollen goods	1'692	1'148	1'524
Apparel	1'516	1'224	1'380

General distribution of the import trade.—The total value of the imports of foreign merchandise in the last three years was thus distributed among the principal countries with which the trade is carried on. The values are stated in Rx, the last three figures being omitted :

	1896-97.		1897-98.		1898-99.	
		Per cent.		Per cent.		Per cent.
1. United Kingdom	50,297	70'1	46,455	67'1	47,032	68'8
2. Austria-Hungary	1,488	2'1	2,147	3'1	2,428	3'5
3. Belgium	2,404	3'3	2,285	3'3	2,230	3'3
4. Russia	2,020	2'8	2,081	3	2,053	3
5. Straits Settlements	1,842	2'5	2,410	3'5	2,006	2'9
6. Mauritius	1,808	2'5	1,683	2'4	1,959	2'9
7. Germany	2,308	3'2	2,434	3'5	1,728	2'5
8. China	2,149	3	1,691	2'4	1,692	2'5
9. United States	1,467	2	1,431	2'1	1,363	2
10. France	920	1'3	883	1'3	1,032	1'5
11. Ceylon	683	'9	1,071	1'5	702	1

The parts of India in which the imports were received last year are stated below. The values are entered in millions of Rx :

		Per cent.
Bengal	27'95	40'9
Bombay	25'65	37'5
Burma	5'54	8'1
Madras	5'27	7'7
Sind	3'97	5'8

PART III.

Exports of Foreign Merchandise.

This trade is for the most part concentrated in Bombay and Karáchi, Bombay being a centre whence merchandise imported from Europe is re-exported to the littoral of the Persian Gulf and the Arabian and East African coasts and whence merchandise from those regions is re-exported to the United Kingdom. The share of these two ports in this trade is more than nine-tenths of the whole—Bombay 75 per cent and Karáchi 16 per cent. Of the small remainder the largest share appertains to Bengal. The trade has never been extensive, and since 1896 it has been on the downward incline. The conditions which have restricted mercantile and industrial operations in Bombay and Karáchi were aided last year by the prevalence of drought and scarcity over the coasts of the Persian Gulf; and no doubt the prolonged occupation of Bombay by the plague has accelerated the movement which was in progress before its outbreak for the establishment of direct communication between Europe and the East African Coast. It is possible that the reconquest of the Soudan may lead to its invasion from Suakin by the enterprising trader from Western India who now controls much of the East African trade, and that the construction of railways to the interior of East Africa may increase existing opportunities. In that case the re-export trade of Bombay may revive; meanwhile, however, its present contracted dimensions are evident from the figures of the last five years :

	Rx.
1894-95 .	5,057,414
1895-96 .	4,717,516
1896-97 .	4,033,637
1897-98 .	3,751,172
1898-99 .	3,371,196

The distribution of the trade between the principal countries with which it is conducted was as follows in the last three years (Rx) :

		1896-97.	1897-98.	1898-99.
United Kingdom		970,861	1,013,958	847,486
Arabian and Persian Coasts.	{ Persia	918,893	862,155	856,642
	{ Arabia	307,087	310,448	258,796
	{ Turkish Arabia	193,108	137,328	145,657
	{ Aden	156,558	148,585	141,227
	Total	<u>1,575,646</u>	<u>1,458,516</u>	<u>1,402,322</u>
Africa	{ East Coast, Zanzibar, and Mozambique	328,271	394,581	318,438
	{ Mauritius	102,116	73,385	55,558
	Total	<u>430,387</u>	<u>467,966</u>	<u>373,996</u>
Straits and Ceylon		456,568	370,120	432,420

The decline in the trade with the United Kingdom, at the same time that it has declined with Africa and Arabia, seems to support the conclusion that the cause of the decline, or one of its causes, is the development of direct relations between those regions and Europe; but a definite conclusion must be deferred until the passing away of the abnormal conditions which have unfortunately existed in Bombay for three years.

The principal articles of the trade and their values are—

	1896-97.	1897-98.	1898-99.
	Rx.	Rx.	Rx.
<i>Articles of food and drink:</i>			
Coffee	34,081	41,441	35,693
Provisions	94,791	112,614	123,032
Sugar (refined)	227,887	118,939	184,820
Tea	371,233	215,494	146,311
<i>Metals and metalware:</i>			
Hardware and cutlery	81,270	77,423	71,239
Copper	46,746	36,229	56,834
Iron	82,804	73,490	53,038
Chemicals, drugs, medicines, narcotics, and dyes	76,483	84,221	72,318
<i>Raw materials:</i>			
Gums and resins	54,907	58,921	48,305
Ivory	94,261	66,747	61,670
Wool	608,003	644,085	471,359
<i>Manufactured goods:</i>			
Apparel	170,680	144,092	139,094
Cotton twist and yarn	89,147	103,347	82,308
Cotton manufactures	1,377,558	1,312,913	1,277,488
Silk manufactures	79,242	58,315	46,713
Woollen manufactures	48,877	29,407	25,209

PART IV.

Exports of Indian Merchandise.

The figures for the last twenty years are as follow :

	Rx.	Increase or decrease per cent.		Rx.	Increase or decrease per cent.
1879-80 . . .	64,950,833	+ 10.6	1889-90 . . .	99,101,055	+ 7
1880-81 . . .	71,974,068	+ 10.8	1890-91 . . .	95,902,193	— 3.2
1881-82 . . .	79,255,243	+ 10.1	1891-92 . . .	103,550,831	+ 7.9
1882-83 . . .	80,598,155	+ 1.7	1892-93 . . .	101,945,707	— 1.57
1883-84 . . .	85,085,720	+ 5.5	1893-94 . . .	102,015,615	+ 0.0
1884-85 . . .	80,313,208	— 5.6	1894-95 . . .	103,757,585	+ 1.7
1885-86 . . .	80,734,731	+ 0.5	1895-96 . . .	109,545,624	+ 5.6
1886-87 . . .	84,908,994	+ 5.2	1896-97 . . .	99,880,660	— 8.8
1887-88 . . .	86,370,022	+ 1.7	1897-98 . . .	93,786,101	— 6.1
1888-89 . . .	92,642,735	+ 7.2	1898-99 . . .	109,350,277	+ 16.6

The decline which followed the ravages of famine and pestilence, accompanied in 1897 by war, was succeeded last year by an increase which just exceeded the decrease in the trade of the two preceding years and brought the value of the exports almost to the level they had attained in 1895-96, notwithstanding the existence of severe stringency in the money market in the first three months of the year.

The principal articles in the trade are enumerated in the appended list, and their values for the last five years are stated (in Rx) :

	1894-95.	1895-96.	1896-97.	1897-98.	1898-99.
1. Grain and pulse	17,422,595	18,708,443	13,840,861	14,053,876	27,197,567
2. Seeds	14,201,520	9,717,431	8,011,680	8,594,100	11,847,194
3. Cotton, raw	8,703,356	14,090,193	12,970,089	8,871,313	11,188,538
4. Tea	7,555,745	7,664,889	8,124,548	8,058,623	8,044,804
5. Cotton yarn and cloth	7,148,679	8,344,587	8,496,474	8,151,338	7,788,470
6. Hides and skins	6,559,940	7,639,478	7,001,370	8,317,534	7,449,218
7. Opium	9,064,665	8,459,336	8,022,923	6,097,563	7,126,009
8. Jute, raw	10,575,977	9,992,861	10,550,577	10,129,992	6,941,245
9. Jute manufactures	4,210,834	4,747,443	5,213,930	5,930,856	5,798,359
10. Indigo	4,745,915	5,354,511	4,370,757	3,057,402	2,970,478
11. Coffee	2,122,373	2,198,192	1,585,039	1,519,130	1,749,824
12. Wool, raw	1,376,850	1,355,108	1,241,497	1,356,537	1,253,483
13. Wood and timber	661,824	801,897	798,686	1,079,061	1,085,705
14. Lac	1,406,474	1,833,601	1,399,862	1,070,920	871,594
15. Oils, including paraffin wax	775,016	738,707	608,789	651,675	800,887
16. Spices	516,329	489,509	497,056	471,628	618,596
17. Provisions	487,409	479,125	519,099	531,667	609,729
18. Dyes (other than indigo)	864,490	872,683	638,936	482,047	510,886
19. Silk, raw	502,009	642,169	511,661	514,850	458,003
20. Saltpetre	411,365	535,945	572,164	398,745	349,344
21. Sugar	550,583	574,745	688,549	292,453	198,437

Separating the articles in this list in which there was an improvement from those in which there was a decline in trade, they stand as follows :

	Increase per cent.		Decrease per cent.
Grain and pulse	93.5	Jute	31.5
Cotton	26.1	Hides and skins	10.4
Seeds	37.8	Cotton yarn and cloth	4.4
Opium	16.8	Tea	0.2
Coffee	15.2	Jute goods	2.2
Wood and timber	0.6	Indigo	2.8
Oils	22.9	Wool	7.6
Provisions	14.7	Lac	18.6
Dyes (other than indigo)	6	Silk	11
Spices	31.2	Saltpetre	12.4
		Sugar	32.1

The following is a statement of the prices of the principal articles of Indian export, the prices in 1873 being taken to represent 100 :

	Cotton, Broach.	Cotton, yarns, 20s.	Rice, ballam.	Wheat No. 1, soft white.	Opium (Bengal).	Indigo, good.	Jute, picked.	Gunny-bags.	Linseed, fine, bold, clean.	Tea.	Total.
March 1873 . . .	100	190	100	100	100	100	100	100	100	100	1000
January '74 . . .	88	100	156	75	105	114	153	88	115	123	1117
" '75 . . .	80	81	138	80	96	109	126	111	108	123	1052
" '76 . . .	85	80	118	84	96	91	141	84	90	136	1005
" '77 . . .	87	90	156	93	97	110	150	95	102	148	1128
" '78 . . .	84	80	168	119	97	88	150	101	106	135	1128
" '79 . . .	78	74	182	116	87	114	153	99	109	129	1141
" '80 . . .	98	81	147	115	94	112	169	89	113	126	1144
" '81 . . .	95	85	109	96	109	105	156	111	104	135	1105
" '82 . . .	90	80	94	97	102	117	137	118	91	126	1052
" '83 . . .	78	74	109	87	91	107	96	98	85	110	935
" '84 . . .	85	74	160	86	93	117	162	106	96	116	1095
" '85 . . .	90	72	138	74	99	103	110	94	98	90	968
" '86 . . .	81	72	149	80	93	107	137	85	101	90	995
" '87 . . .	85	69	106	89	83	70	137	98	101	77	915
" '88 . . .	95	74	115	86	80	82	153	125	95	84	989
" '89 . . .	93	79	144	95	94	93	192	126	112	77	1105
" '90 . . .	95	74	154	84	86	76	197	118	109	63	1056
" '91 . . .	84	70	143	87	79	86	126	93	97	81	946
" '92 . . .	75	65	169	103	79	74	236	132	112	71	1116
" '93 . . .	107	78	180	95	96	114	192	119	128	87	1196
" '94 . . .	84	71	188	80	84	108	241	109	123	52	1140
" '95 . . .	70	67	147	82	117	105	175	110	127	97	1097
" '96 . . .	94	74	151	81	100	105	175	108	113	84	1085
" '97 . . .	76	72	204	152	83	84	203	99	101	64	1138
" '98 . . .	68	63	185	99	80	76	156	85	94	61	967
" '99 . . .	59	52	153	79	86	57	170	87	92	58	893

It should be noted that these figures represent the prices only in the first month of the year, not the average of the year. In opium, jute, and jute manufactures there has been a rise in prices; in all other articles a fall following on the fall in January 1898.

Grouping the items as in the accounts of trade, the values of the trade in each group for each of the last five years are as follows in Rx:

	1894-95.	1895-96.	1896-97.	1897-98.	1898-99.
1. Animals, living	137,761	161,053	177,967	141,422	159,979
2. Articles of food and drink	28,841,691	30,249,862	25,338,844	25,058,456	38,576,729
3. Metals and manufactures of metal	88,094	119,168	142,849	138,785	127,517
4. Chemicals, drugs, medicines, narcotics, and dyeing and tanning materials	15,428,990	15,564,314	13,907,521	10,366,802	11,333,926
5. Oils	775,016	738,707	608,789	651,675	800,887
6. Raw materials and unmanufactured articles	40,817,891	42,368,127	39,495,063	37,101,481	39,143,998
7. Articles manufactured and partly manufactured	17,668,142	20,344,393	20,209,627	20,317,480	19,207,241

ARTICLES OF FOOD AND DRINK.

Coffee.—There was a material recovery in this trade from the depression which marked the two preceding years, but the trade still leaves much to be desired. The acreage under coffee in Brazil has extended so greatly in recent years that, as regards the common kinds of coffee, the supply is in excess of the demand and the fall in prices of Brazilian coffee to the lowest level ever known has affected all the descriptions of coffee which enters into competition with Brazil coffee.

The prices of the superior descriptions of coffee are not so affected and are well maintained, but Indian coffee is essentially of the class with which Brazil coffee competes; and the competition involves severe efforts on the part of the coffee-planter of Southern India who has to face a range of prices for this product which constantly tends downward and cuts into what has hitherto been a fairly expansive margin of profit. There was actually a considerable quantity of Brazilian coffee imported into Bombay last year. There may possibly be a reaction, for the fall in prices has been as great a subject of complaint in Brazil as the fall in prices of tea has been to the Indian tea-planter. But in Brazil as in India extensions were made very rapidly, and supplies must continue to be on a very large scale as the produce from the extensions is brought to market.

The exports have been :

	Cwt.	Rx.
1894-95 . . .	281,297	2,122,373
1895-96 . . .	290,902	2,198,192
1896-97 . . .	210,797	1,585,039
1897-98 . . .	225,008	1,519,130
1898-99 . . .	270,056	1,749,824

Rice.—The restricted exports of the two years 1896-97 and 1897-98 were due to the exceptional conditions of supply and prices which prevailed in India. During the famine the high level of prices and the demand from the famine stricken tracts diverted to those parts a large portion of the excellent Burman harvest which would in ordinary conditions have found its market beyond Indian limits. These conditions having ceased the export trade was resumed in normal activity, assisted by a deficiency in the rice harvest of Japan which not only prevented the rice of that country from competing as effectively as usual with Indian rice but also required the importation of Indian rice into Japan; a feature of trade which will in the future probably be repeated frequently. The export trade was also assisted by the whimsical and arbitrary prohibition of the export of rice from those parts of China in which there was rice to export. Such prohibitions are common enough in Oriental countries and are an effective machine for enriching officials and their friends and for preventing the full expansion and development of agricultural industry.

The total exports of rice from each province in each of the last ten years are given below :

Export of Rice (husked) in Cwt. (000 omitted).

	Burma.	Bengal.	Madras.	Bombay.	Sind.	Total.	Value in Rx.
1889-90 .	18,259	5,992	1,654	799	70	26,774	10,047,331
1890-91 .	24,581	7,928	1,210	646	109	34,474	12,773,628
1891-92 .	22,676	8,354	1,018	598	94	32,740	13,296,792
1892-93 .	18,339	7,201	1,002	716	137	27,395	12,274,252
1893-94 .	15,601	6,590	1,207	511	111	24,020	10,246,522
1894-95 .	22,781	7,916	1,663	1,233	129	33,722	13,692,095
1895-96 .	24,612	7,925	1,140	887	72	34,636	13,430,703
1896-97 .	19,370	5,053	2,550	811	36	27,820	11,850,261
1897-98 .	18,002	4,953	2,504	683	130	26,272	11,587,028
1898-99 .	25,905	8,636	1,367	1,163	322	37,393	15,677,645

A glance at these figures should dissipate the impression that the dimensions of last year's trade were quite exceptional. That the trade was large is true, but it only appears exceptional by comparison with the trade of the two preceding years, when the exports from Burma were restricted by the demand from

India at a high level of prices, which consumers in other parts of the world were not inclined to pay as long as substitutes for rice were procurable. But though the trade was large there has been an approximation to its dimensions in four former years, and there is reasonable ground for hoping and expecting that the high level of the trade of last year will be equalled and exceeded in future years, given ordinarily good seasonal conditions in India and ordinarily good trade conditions elsewhere. But it is always necessary to remember that India has no monopoly of this trade, for though India exported about 1,860,000 tons last year there were also exported from Bangkok and Saigon about 1,200,000 tons, and other countries also produce and export rice in large quantity.

The rise of prices which limited the trade in 1896-97 and 1897-98, and the fall in prices which stimulated the trade last year, are illustrated by the figures appended. These are the prices of rice (ballam) at Calcutta (per maund) and at Rangoon (per cwt.).

	Calcutta.						Rangoon					
	1896-97.		1897-98.		1898-99.		1896-97.		1897-98.		1898-99.	
	Rs.	a. p.	Rs.	a. p.	Rs.	a. p.	Rs.	a. p.	Rs.	a. p.	Rs.	a. p.
April	3	4	2½	4	9	9	3	14	1½	3	10	6
May	3	8	4½	4	14	0	3	15	4½	3	14	4
June	3	12	5	5	0	6	3	13	7	3	14	4
July	3	15	7	5	0	10½	3	15	4½	3	15	4
August	3	14	6	5	7	4½	3	13	1½	4	10	4
September	4	9	1	6	0	3½	3	9	0	5	6	0
October	4	12	3	5	5	8	3	7	4	5	2	5
November	5	2	3	5	4	3	3	6	0	5	2	8
December	5	2	7	5	7	3½	3	4	6	4	0	3
January	4	5	10	3	14	9	3	4	7½	4	0	4
February	4	3	9	3	13	7½	3	4	9	4	0	3
March	4	6	5	3	12	4	3	2	5	4	1	3

The principal countries to which Indian rice was exported in the last three years are these (cwt., 000 omitted):

	1896-97.	1897-98.	1898-99.
<i>Europe:</i>			
United Kingdom	3,839	2,603	5,069
Egypt	10,046	8,125	11,686
Germany	336	200	549
Other countries	22	126	44
TOTAL	14,243	11,054	17,348
<i>Asia:</i>			
Ceylon	3,898	4,583	5,063
Straits	3,745	3,355	5,526
Arabia and Aden	970	1,113	2,011
Japan	...	1,138	1,624
Persia and other countries	184	299	460
TOTAL	8,797	10,488	14,684
<i>Africa:</i>			
Mauritius, Réunion, and Eastern Coast	2,080	1,737	2,980
Cape Colony, Natal, and other countries	554	323	638
TOTAL	2,634	2,060	3,618
<i>America:</i>			
West Indies	179	67	252
South America (chiefly Brazil)	1,914	2,577	1,418
Canada and United States	...	4	14
TOTAL	2,093	2,648	1,684
<i>Australia</i>	53	22	59

The quantity exported to the European Continent—in which is included Egypt, for the rice nominally sent to Egypt is shipped to Port Said for ultimate destination, on orders received there, to a European port—was almost precisely the quantity exported to that Continent in 1895-96, before the famine interrupted and dislocated the trade. It represented last year 46 per cent of the exports.

To Asiatic countries the exports were much larger than in former years, Ceylon having taken an unusually large quantity and Japan having found herself compelled to resort to India to supplement a deficient harvest. It is probable that the increase of population in Japan, and the new economic conditions in that country, may turn her into a regular purchaser of Indian rice. The exports of rice to Asiatic countries represented last year 39 per cent of the whole.

The only other important consumers of Indian rice are Mauritius and the South American countries, chiefly Brazil. With that country there was a contraction of trade last year arising out of bad conditions there.

The trade in rice is of a far less fluctuating character than the trade in wheat. The greatest proportion of the rice which is exported is grown in Lower Burma, a country so happily favoured by nature that bad seasons are unknown to it; much more is similarly grown in tracts in Bengal and Madras, which also are practically exempt from the calamities which occasionally overwhelm less fortunately situated regions where the monsoon rains are scantier and a deficiency may mean disaster; a considerable proportion of the exports is required for the nourishment of Asiatics to whom other grains are unusual and not so agreeable; a still more considerable proportion is required for manufacturing purposes as well as for food in Europe, and for such purposes the trade from India is, for various reasons, in a position of advantage from which the competition of rice and other grains produced in other countries has not been able to dislodge it. The trade therefore maintains a steadiness hardly affected except by the fluctuations of local prices and local demand arising out of scanty harvests in India elsewhere than in the great rice-producing tracts. This position of superiority has enabled the exporters to gradually raise the level of the price of rice which is now more than 50 per cent higher than the level of 1873.

Wheat.—The conditions here are quite different. While Indian rice leads, Indian wheat follows. The wheat we export comes into competition with the wheat grown all over Europe and with that of the great exporting countries, the United States, Russia, and the Argentine Republic. It is not freely taken when harvests and supplies in other parts of the world are equal to the demand, except at prices which are lower than those offered for other wheats, and the trade has never been really large except when from time to time other supplies are deficient. Those occasions recur, however, not infrequently, and an indifferent harvest in Europe, a failure in Southern Russia, a contraction of the supply from the United States, a failure in Argentina where the harvest appears to be singularly uncertain, a drought in Australia, may—one or other of them—be expected to raise the spirits of the Indian cultivator of wheat. Provided of course that he has a good crop. That is not to be expected with the regularity with which a good rice harvest may be expected from Burma, for the Indian wheat crop is grown in regions which too frequently are subject to meteorological vicissitudes, and deficiency or irregularity in the monsoon rains there spells varying degrees of misfortune for the cultivator.

Last year was as good for the Indian wheat grower in Northern India as he could expect in his rosiest dreams. He reaped an excellent harvest, and just as it was put into the market and before prices had time to recede to the level of the time preceding the famine year, a wave of higher prices in the consuming markets set in under the influence of speculative action in the United States. It was assumed, from the reports issued by the Government Agricultural Bureau, that the American supplies would be smaller than they actually proved to be, and it was supposed that Russia and India were not in a position to add substantially to the supplies. The American estimates were under the mark, however, and India certainly had plenty of wheat to sell at good prices. The speculators for the rise found themselves at fault and prices receded, but before they fell to the former level India had exported a quantity much larger than any known since 1890-91, a quantity which seemed prodigious to those who compared it only with the exports of the two preceding years when the trade had in fact collapsed.

The fluctuations in price will be apparent from the figures appended, which state the variations in the monthly average prices on the basis of the price in March 1873, this being taken as 100 :

	Bombay.			Calcutta.		
	1896.	1897.	1898.	1896.	1897.	1898.
April . . .	89	114	101	94	125	106
July . . .	92	115	87	104	130	89
September . .	96	125	81	123	125	85
December . .	155	101	80	154	105	82

The exports last year and those of the preceding five years are —

	From Bengal.	From Bombay.	From Sind.	From Burma and Madras.	Total exports.	Total value.
	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.	Rx.
1893-94 . . .	1,037,998	4,700,180	6,418,317	56	12,156,551	5,193,885
1894-95 . . .	240,526	1,045,735	5,600,987	543	6,887,791	2,565,271
1895-96 . . .	1,011,934	2,797,842	6,192,816	320	10,002,912	3,913,896
1896-97 . . .	74,107	1,159,698	676,250	498	1,910,553	836,395
1897-98 . . .	75,733	377,594	1,938,912	368	2,392,607	1,341,151
1898-99 . . .	3,458,379	6,434,444	9,577,610	63	19,520,496	9,719,688

In former years the quantities exported have not infrequently approximated to or exceeded the quantity exported last year :

		Cwt.			Cwt.
1881-82 . . .	19,863,000		1886-87 . . .	22,263,000	
1883-84 . . .	20,956,000		1888-89 . . .	17,610,000	
1884-85 . . .	15,832,000		1891-92 . . .	30,303,000	
1885-86 . . .	21,060,000		1892-93 . . .	14,973,000	

It was not indeed until the year 1893-94 that, in consequence of indifferent and bad harvests in India, the exports fell to a level not before known since the trade first developed. And it may be reasonably hoped that, in ordinarily good years, India may on an average export as much wheat as on the average of the years before 1893-94, or more.

Close and particular attention is always given to the Indian wheat trade by critics of Indian economics and finance, so close indeed that one is tempted to think that they believe it to be the most important part of our trade, and the inference is strengthened by the persistency with which attention is drawn to the fact that there has been no real increase in the export price of wheat. The fact is ignored that the export price of rice has increased by more than 50 per cent, and that the trade in that grain is of far greater importance than the trade in wheat, as regards both quantity and value. Internally too the cultivation of rice is of much greater importance. The area under wheat is only a

third of the area under rice, the harvest yield is about a fifth of that of rice, and for one person in India who habitually eats wheat at least five persons habitually live on rice. The question then suggests itself, why are the facts of the wheat trade so closely studied (and to so little purpose) for the purpose of drawing general inferences as to the economic position of India, and the rice trade so entirely ignored? The answer seems to lie in the point of view of the observer. When he is a student or observer of European economics he dwells most largely on the incidents of the trade which most materially affects the condition of European people. The wheat trade of the world is to him a trade of enormous importance and he is apt to think, looking at the quantities exported from India, that the trade is as important to the supplier as it is to the consumer, or as it is to the supplier from other countries from which wheat is largely exported. The rice trade does not affect the European observer in the same degree. Less than half the Indian export is carried to Europe, whereas all the wheat exported by us is taken to Europe, and rice does not there compete in any special degree with European produce as wheat does, and is used for food to a relatively small extent, its main uses being for manufacturing purposes. These circumstances lead to undue neglect of the conditions of the rice trade and to undue attention to the conditions of the wheat trade. Another reason is that the trade is of importance to the management of certain large railway lines in India, for most of the grain is grown at a considerable distance from the coast, and the conveyance of that material portion of the crop which is exported gives what is called a "long lead" to these lines. The management therefore in their reports and addresses lay great stress on this traffic, so much stress indeed that authorities and critics alike are apt to be confirmed in their ideas of the dominating importance of the wheat trade to India. The managers and directors of railways do not refer to the rice trade in this way, because most of it is water-borne from the field to the place of consumption.

These remarks are not intended in any way to imply that the trade in wheat is not of importance to India. It is certainly an important trade, and it is much to be desired that its dimensions should further increase; but it is not so important as the rice trade, or the trade in oilseeds, or in cotton, or jute, and it is well to look at things in their true proportions and give them their just perspective. *

Other items classed under Grain and Pulse.—These are of relatively small importance, but the return of good harvests, and a relatively low level of prices in India, led to a greatly increased export, especially of the millets (jawár and bájra) to the African littoral of the Red Sea and to Aden and Arabia. There is also a regular export of these grains to England, where they are used for bird-food. Wheat-flour is the most important of the items, and it is satisfactory to note that, with the return of a lower range of prices for wheat, the demand for flour made in Bombay revived. The extent of the trade in the principal items is indicated by the figures appended :

		1894-95.	1895-96.	1896-97.	1897-98.	1898-99.
Wheat-flour	lbs.	65,885,000	74,114,000	67,177,000	56,592,000	76,458,000
Jawár and bájra	cwt. "	814,269	731,669	652,812	642,560	1,960,590
Pulse	" "	440,025	742,086	555,942	306,033	785,002
Rice, unhusked	"					
(paddy)	"	580,063	516,162	454,015	474,564	549,482
Gram	"	344,652	633,199	274,954	206,966	282,706

Provisions and spices.—Under both heads the trade of last year was unusually large, ghi and pepper having been exported in large quantities.

Sugar, on the other hand, has fallen to such a low level compared with former periods that it is difficult to resist the conclusion that this trade cannot compete successfully with beet sugar. The bulk of our exported sugar is the raw produce in which there has been a trade with England for a long series of years, but it is difficult for cane sugar, especially from India, to compete with the increasing quantities of beet sugar, refined and unrefined, which flow into England from the Continent. Whether or not Continental beet sugar is encouraged by bounties on export, it seems probable that the demand for Indian cane sugar will in time cease, and that our production must find its market in India. At the same time the circumstance merits reflection that there is a very extensive export of sugar from Java, amounting to more than half a million tons on the average, most of the sugar being sent, not to Europe whither ours has been sent, but to America, Australia, and China. It is not clear on the surface why India should not do what Java can do in this respect. The heavy reduction last year below the low level already reached was due in some measure to the failure of the cane crop in the Godávári valley :

	Refined. Cwt.	Raw. Cwt.
1894-95	60,179	958,107
1895-96	41,934	1,021,832
1896-97	62,903	1,097,202
1897-98	37,887	548,895
1898-99	41,255	289,668

Tea.—With one exception in 1892-93, when there was a set-back, the export of tea has continued for many years on an increasing scale. The exports last year were about 157½ million pounds, this quantity being just double the exports in 1886-87, thirteen years previously. The exports in the last seven years have been :

	lbs. (ooo omitted.)	Rx.	Increase (lbs., ooo omitted.)
1892-93	114,722	6,292,348	—5,427
1893-94	126,332	6,585,835	11,610
1894-95	129,099	7,555,745	2,767
1895-96	137,710	7,664,889	8,611
1896-97	148,908	8,124,548	11,198
1897-98	151,452	8,058,623	2,544
1898-99	157,471	8,044,804	6,019

While this rapid increase of supply from India was proceeding, the exports from Ceylon were increasing at a still more rapid rate, and though Chinese tea was being thrust out of the way more and more each year, the consumption was not able to overtake the supply, especially as the bulk of the supply was directed to the United Kingdom for consumption there. As was to have been expected in such conditions, namely, a limited market and an almost unlimited supply, prices have declined heavily since 1894-95, as will be apparent from the average prices realised at the auction sales in Calcutta. These are stated below, in annas and pie per pound :

	1889-90.	1890-91.	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.	1898-99.
Orange (and broken)										
Orange) Pekoe	11-8	11-2½	11-1	13-0½	11-1½	14-0½	11-1½	9-11½	8-9½	8-1½
Broken Pekoe	9-9	8-10½	8-7½	11-3½	9-2½	11-8	9-	8-7½	7-5½	7-
Pekoe	7-5	7-2	7-0½	8-9	7-2½	9-4½	7-3½	6-9½	6-0½	5-8
Pekoe fannings.	5-7	5-10	5-3½	6-7½	5-7½	7-3½	6-	5-9½	5-	4-8½
Pekoe Souchong	5-7	5-8½	5-3½	6-5½	5-4½	7-2½	5-11	5-5½	4-10½	4-7
Broken do.	5-	5-3½	4-9½	5-10½	4-11½	6-8½	5-6½	5-3½	4-6½	4-3½
Other low class	4-8	5-2	4-2½	5-0½	4-5½	5-6	4-11½	4-6½	3-7½	3-3½

Taking the average of all sorts combined, the price level has been, per pound, in annas and pie :

1894-95	.	9-3
1895-96	.	8-9
1896-97	.	8-8
1897-98	.	8-5
1898-99	.	8-1

These prices accurately reflect the course of prices in London, where the price of Indian tea is regulated. The shipments of Indian tea to that market last year amounted to 139½ million pounds, representing 88 per cent of the whole exports. The small remainder was distributed as follows to other countries :

	lbs. (ooo omitted).
Australia	6,306
Persia	3,457
Turkey in Asia	2,598
United States	1,414
Canada	1,044
Hongkong	882
Turkey in Europe	537
Germany	519
Russia	501

These figures do not quite accurately indicate the real destination of the tea, or the actual consumption of Indian tea in all the countries named. Thus the tea shipped to Hongkong was destined for the United States and that which was shipped to European Turkey was intended partly for Russian consumption and partly for Azarbaijan in Northern Persia which it reaches by way of Trebizond. The United States and Canada again receive by way of London almost as much Indian tea as they receive direct from India.

So far as the London market is concerned, the competition of Chinese tea may be and is regarded, by the tea-planters of India and Ceylon, as a thing of the past. The closing of the mints in 1893, which was claimed to have a fateful significance for our trade and to be the signal for the restoration of Chinese tea to the position it once occupied, did not bring about even a momentary pause in the rate at which that trade was being destroyed—another proof, if one were wanted, that a bad currency system does not promote trade and that a good currency system cannot injure it. It is interesting to note how Chinese tea has receded from the London market, and how Indian and Ceylon tea has advanced. This is made clear by the figures appended, which state the imports (in lbs., ooo. omitted) of tea into the United Kingdom :

	From India.	From Ceylon.	From China.		From India.	From Ceylon.	From China.
1883	59,252	2,005	156,187	1891	109,638	61,900	62,284
1884	63,208	2,211	143,771	1892	111,711	66,042	57,051
1885	64,382	4,242	139,673	1893	115,023	72,631	56,209
1886	73,467	7,144	145,308	1894	118,380	76,311	43,763
1887	84,645	13,062	119,799	1895	123,362	83,448	40,084
1888	89,874	22,510	105,735	1896	127,720	94,860	35,300
1889	95,384	32,673	88,558	1897	134,729	96,326	28,760
1890	101,771	42,491	73,743	1898	139,545	97,614	27,078

Whether the importations of China tea will be much further reduced must be treated as an open question. There are qualities of China tea which cannot be rivalled by the tea of India or Ceylon, and it is possible that those qualities will continue to be consumed by those who can afford to pay for them. A certain

quantity is also still used for blending with the stronger Indian and Ceylon teas. Whether the irreducible minimum is to be found in from 20 to 25 million pounds or in a much smaller quantity cannot be predicted.

Some complaint has been made of the difficulty of capturing foreign markets, and it has been suggested that it would be materially lessened or removed if the Indian currency standard were allowed to depreciate, so as to permit India to compete with and undersell China. Yet it is practically certain that even if the rupee were reduced to a gold value of sixpence, no sensible effect would be produced in the foreign markets which Indian tea is seeking to enter. The question is certainly not exclusively one of price, for Indian tea has always been more highly priced than China tea in the London market and the dislodgment of Chinese tea from the position it had acquired was effected as the outcome of prolonged endeavour based on other considerations than the single consideration of price. Success was achieved in the end, but the end did not come for twenty years although the Indian tea gardens have had all the advantages of being worked with capital from London, the owners of the capital being of course under an inducement to stimulate the use of their tea, while the tea was produced in a British dependency by men whose domestic and financial and commercial relations were cast exclusively in the United Kingdom where their tea was to be consumed. Things are very different in the other countries which Indian tea is seeking to enter. The consumers of tea there have no relations, either of blood or finance, with the growers of Indian tea and have therefore no special inducement to spread its use. Entering strange markets without any support but its own merits, it should be expected that the contest for supremacy must be longer in those countries than it was in the United Kingdom, for there the old vested interests in China tea were met by the new vested interests in Indian tea, while in the foreign markets there is no such collision. In some of those markets China tea is supreme, in others Japanese tea competes with it extensively, in others again Java tea holds the field. There are still others where tea from any country is not a popular beverage and coffee is in universal consumption. This is the case all over the European Continent with the exception of Russia, and perhaps to a small extent in Holland where Java tea is consumed. An illustration of the universal use of coffee is given in a recent Consular report from Hamburg from which it appears that in 1897 the people of Germany consumed *per capita* as much as 5 lbs. $6\frac{1}{2}$ ounces of coffee and $9\frac{3}{8}$ ounces of cocoa, while the consumption of tea was not quite $1\frac{3}{4}$ ounces—briefly, for every pound of tea fifty pounds of coffee were consumed, and though the consumption of tea was increasing so was that of coffee, which is cheaper than tea on the European continent as well as in the United States. Probably in other countries the proportion is greater than one to fifty. The use of cocoa again in Germany increases much faster than the use of coffee and even in a tea-drinking community such as that of England the consumption of cocoa is increasing fast, as the figures of the imports testify. Between 1894 and 1898 the quantity of tea imported increased by 9·8 per cent, of coffee by 3·8 per cent, and of cocoa by 54 per cent. It is not to be wondered at then that the invasion of foreign markets is not a brilliant success the moment our teas are offered for sale there, or that the efforts to conquer those markets must be even more strenuous and persistent than those which were required to conquer the English market. The best of these markets lie in the United States, Russia, and Australia, and in all three Indian tea finds a competitor, not in existence when the contest with China began, in Ceylon tea.

METALS.

The only important item in this class is *Manganese ore* in which an increasing trade began a few years ago. The trade was checked, however, last year and exports declined—only temporarily, it is to be hoped ; but the ore has been found to exist in Chile in great quantity.

CHEMICALS, DRUGS, NARCOTICS, AND DYES.

Saltpetre.—The trade in this article has fallen remarkably in the last three years, but it is subject to violent and frequent fluctuation :

	Cwt.	Rx.
1893-94 .	321,933	338,102
1894-95 .	352,985	411,365
1895-96 .	421,769	535,945
1896-97 .	528,452	572,164
1897-98 .	417,786	398,745
1898-99 .	365,256	349,344

The decline may be ascribed, as has been done, to the replacement of gunpowder by explosives into the composition of which saltpetre does not enter ; or it may also be due to the substitution of borax for saltpetre in the preservation of meat and fish ; or it may be that the decline is the outcome of temporary conditions of the market.

Opium.—There was a marked recovery from the depression of 1897-98—which was largely due to the stringency of money—in the quantity exported and in the price of Bengal opium. The recovery was perhaps partly due to the circumstance that the Chinese opium crop in the Yangtze valley was very poor. The number of chests exported was :

	From Bengal.	From Bombay.	Total.	Value. Rx.
1893-94 .	43,593	27,246	70,839	8,019,428
1894-95 .	39,778	29,056	68,834	9,064,665
1895-96 .	36,390	24,470	60,860	8,459,336
1896-97 .	39,527	22,731	62,258	8,022,923
1897-98 .	37,846	18,223	56,069	6,097,563
1898-99 .	41,169	25,959	67,128	7,126,009

Average price—

	Bengal. Rs.	Bombay. Rs.
1891-92 .	1,059	1,152
1892-93 .	1,243	1,200
1893-94 .	1,110	1,167
1894-95 .	1,331	1,297
1895-96 .	1,387	1,394
1896-97 .	1,257	1,344
1897-98 .	1,029	1,209
1898-99 .	1,049	1,082

Of the exports 50,223 chests were shipped to China—31,406 to Hongkong and the rest to various Treaty ports direct. The Straits took 14,577 chests, and to Cochin 1,360 chests were sent.

Tobacco.—The exports of unmanufactured (leaf) tobacco are of a fluctuating kind. Last year they reached a comparatively high level (about 12½ million pounds), of which the principal destinations were Aden and the Straits. From

Aden this tobacco is distributed to Somáliland and Abyssinia. The export of cigars presents the encouraging feature of quick development, the exports last year amounting to 633,000 lbs., about one-third of which was shipped to the United Kingdom. The cigars made in Madras have also a wide outlet within Indian limits, and the industry has acquired respectable dimensions.

Indigo.—The cultivation of the plant is precarious, and the extent of the harvest is affected, in a greater degree than food-crops, by climatic considerations. The exports consequently vary very much from year to year, a good season being followed by large exports and a bad season by reduced exports. In former days, a reduced export brought its compensation to the owner of the dye in a higher level of price; but this is not always, or often, the case now. Since 1893, in which year a high level of price was attained for Bengal indigo, the price has tended constantly downwards, and in the last season the level was the lowest known. This was partly due to the fact that the quality of the indigo sold in Calcutta was not very good—for quality as well as quantity seems to be affected by the seasons—but perhaps in a greater degree to another cause. It is not now necessary that dyers should seek the finest indigo for fine fabrics, the progress of applied science having enabled them to utilise inferior qualities of indigo; hence the fine qualities of Bengal indigo now come into competition with the inferior kinds grown and manufactured by native planters in Upper India and Madras, as well as with the indigo grown in other countries. Moreover, as regards the commoner fabrics, the employment of mineral dyes has greatly interfered with the use of indigo; and recently much concern was created by the announcement that the great Baden factory had succeeded in producing synthetic indigo and was about to put it on the market in competition with the superior natural dye. The announcement was apparently premature, but in any case it did not help in the recovery of prices. The present season unfortunately has been very bad, following on two bad seasons, and the outlook for the industry is not as cheering as could be wished. The attention of planters is now being directed to methods which may secure greater economy and efficiency and increase the yield of dye from the plant; and certainly the necessity for such attention has been made clear.

The exports and prices have been as follow :

	Cwt.	Value. Rs.	Prices in Calcutta. Rs. per maund.
1894-95	166,308	4,745,915	275
1895-96	187,337	5,354,511	275
1896-97	169,523	4,370,757	220
1897-98	133,849	3,057,402	200
1898-99	135,187	2,970,478	150

The indigo crop in Madras was in many places a failure and the exports restricted; there, as in Bengal, the trade is very fluctuating in its extent.

The exports from Calcutta and Madras have been as follow in the last five years (cwt.) :

	Calcutta.	Madras.
1894-95	106,830	44,974
1895-96	111,714	62,425
1896-97	109,001	43,680
1897-98	71,364	48,165
1898-99	81,779	42,760

OILS.

The value of the trade rose to a level,—Rx. 800,887,—not approached in any previous year, for there was a recovery in all the important descriptions, very marked in the case of cocoanut oil.

Petroleum was exported from Burma to the Straits in much larger quantity than ever before, following on a year of depressed trade. Of that trade it was said in the last issue of this review by another writer that, "owing to the unfavourable exchange it nearly ceased." The exports, though the trade is small, are worth examination :

	Gallons.
1894-95 .	48,391
1895-96 .	315,118
1896-97 .	191,424
1897-98 .	15,563
1898-99 .	722,686

If the collapse of the trade in 1897-98 was, as stated, due to the unfavourable exchange of the year, there should have been an even greater collapse in the following year when exchange was still more unfavourable. The case affords an additional illustration of the danger of assigning to currency conditions fluctuations in trade which are always due to some other cause. In this particular case local conditions determine whether the mineral oil shipped from Burma shall be directed to Madras or to the Straits.

RAW MATERIALS AND UNMANUFACTURED ARTICLES.

Coal and Coke.—It is satisfactory to note that while India requires a constantly diminishing supply of imported coal, there is a constantly increasing export of Indian coal. The trade is of recent creation, and, though still quite in its infancy, its development during the last five years is interesting :

	Tons.
1894-95 .	53,665
1895-96 .	80,923
1896-97 .	136,719
1897-98 .	212,855
1898-99 .	327,104

The coal finds its destination mainly in Ceylon (Colombo), the Straits (Singapore), and Aden, being used in each place to fill steamer bunkers. The coal exported forms but a very small proportion of the production, less than seven tons in the hundred leaving the country : the other 93 tons are consumed on railways, on river and coasting steamers, and in mills and factories.

Cotton.—This important trade oscillates rapidly and violently, an expanded or restricted trade following on the abundance or scantiness of the yield of the crop. The yield of the cotton crop last year was much larger than in either of the two preceding years, and the exports recorded in 1897-98 were further reduced by reason of the lateness of the crop, so that some of it was shipped from Bombay in 1898-99. These circumstances account for the material increase in the year. It is well too that a new customer for Indian cotton has presented himself in the Far East, for if the export trade had continued to be dependent

exclusively on European consumption, as was the case until Japan began to take our cotton, it would have contracted to relatively small dimensions. The extension of the cotton-spinning and weaving industry in that country has created a demand for Indian cotton which may be said to have become the dominant factor in the trade. Last year the shipments to Japan were about 36 per cent of all the exports, the other two-thirds being widely distributed in Europe.

The statistics of the export trade in the last decade are as follow :

	Cwt. (ooo omitted).	Rx.
1889-90 .	6,320	18,668,404
1890-91 .	5,914	16,502,775
1891-92 .	4,425	10,754,312
1892-93 .	4,789	12,743,679
1893-94 .	4,789	13,296,670
1894-95 .	3,385	8,703,356
1895-96 .	5,248	14,090,193
1896-97 .	5,216	12,970,089
1897-98 .	3,723	8,871,313
1898-99 .	5,411	11,188,538

The destination of the cotton in the same period is stated in the table appended (cwt., ooo omitted):

	1889-90.	1890-91.	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.	1898-99.
Japan	61	78	401	444	368	465	856	1,499	1,311	1,941
Germany . . .	486	810	745	915	1,022	692	994	871	586	857
Belgium . . .	942	907	670	684	824	468	748	631	394	614
Italy	957	824	588	709	670	565	662	668	501	606
Austria-Hungary .	741	719	548	594	616	403	717	538	334	439
France	635	689	509	537	472	269	465	382	177	363
China	125	119	110	46	4	29	60	163	151	283
United Kingdom .	2,166	1,520	710	528	521	333	644	379	206	217

The changes in the course of the trade, as indicated by these figures, are interesting. At the beginning of the period England was still the country which took much the largest share of Indian cotton, not so much for local manufacture, for the competition of the Indian mills had already materially reduced the spinnings and weavings for which this short-stapled cotton was required, as for distribution to the Continent where the coarser goods are still made for wear by the peasantry and artisans. Gradually the shipments to England declined as direct communication was established with consumers on the Continent. Then Japan entered the market and speedily became a much larger consumer than any other country. As the Japanese mills increased their spinning capacity the demand in England for short-stapled cotton continued to decline, Japanese yarn and cloth of the coarser kinds gradually ousting English yarn and cloth of the same class in the markets of the Far East. Another reason for the contraction in the demand in Europe recently is to be found in the abundance of the supply from the United States, the abundance having so effectively reduced the price of the fibre as to make the employment of that cotton comparatively economical in supersession of Indian cotton. In the present year again, in face of a further abundant cotton crop in the United States, it is not probable that there will be any recovery from the low level to which prices have fallen. It is fortunate, considering the conditions which now prevail in the European market, that the Indian cultivator is

not dependent on that market, and that he has in the Indian and Japanese cotton mills good customers for a large proportion of his production. It has been argued that China produces cotton in large quantity and that the production is capable of such expansion that Chinese cotton will supply the demand of all the Chinese cotton mills still to be created, and thrust Indian cotton from the Japanese market. There seems, however, to be but a small proportion of evidence to a large proportion of assertion in this statement. It is not clear where there is to be found in China, convenient to the coast-line, any extensive area available and fit for cotton growing. In all such regions the land would seem to be sufficiently fully cultivated already for the supply of a teeming population. If there were such land available, it may be assumed that it would already have been placed under cotton, and that the Japanese would not continue to go so far afield as India for what they want, nor perhaps would the Chinese themselves continue to take Indian cotton. At the present moment Japan imports between three and four bales of Indian cotton for one bale of Chinese cotton. It is also apprehended that Japan may take American and discard Indian cotton, and there is doubtless some ground for this apprehension if the existing levels of prices should continue, a very improbable contingency, however. Up to the present at any rate the apprehension has little to support it in the facts, for in 1898 the imports of cotton into Japan from India represented 54 per cent of the whole, America supplying 32 per cent, and China 11 per cent.

Hides and skins.—This trade was placed under great difficulties in 1896-97 by the action of importing countries who dreaded the contagion of plague. In the following year there was a relaxation of precautions, and the large stock in hand following a year of famine was freely shipped in 1897-98, when the trade was extremely large. Last year it continued, trade generally being active and prosperous in Europe and the United States, on a high level though not so high as in 1897-98. Part of the increase in skins, however, was due to the substitution in exports to the United States of raw for tanned skins. The exports are :

	<i>Hides.</i>		<i>Skins.</i>	
	No.	Rx.	No.	Rx.
1892-93	6,739,740	1,761,469	8,477,905	876,703
1893-94*	7,409,879	1,948,482	6,370,835	618,968
1894-95	8,050,886	2,088,918	7,674,551	790,658
1895-96	8,244,530	2,610,344	8,173,037	1,017,949
1896-97	7,427,943	2,541,044	6,310,988	693,532
1897-98	10,072,470	3,374,932	9,842,409	1,119,365
1898-99	8,864,329	2,948,475	10,667,448	1,206,609

Jute.—The exports of this fibre fluctuate strictly in accordance with the dimensions of the crop. The exports of 1897-98, which were on a far larger scale than had been known before, were followed by an extremely contracted export. The crop varies according to the season, and also according to the price received by the cultivator. If prices are not as good as in his judgment they ought to be, and rice is being sold at a good price, he places more land under rice and less under jute, and in the same way when conditions change he returns to jute. This, with an adverse season, is the explanation of the small trade in jute. Last year's crop was estimated at only 4,154,000 bales, the yield of the preceding year having been estimated at 6,189,000 bales. In the present year there has been a recovery in the price of jute and a fall in the price of rice,

but the estimates of the crop are again unfavourable, and it is not possible to say therefore that there will be a much larger export of the fibre. The exports in the decade have been as follows (cwt., 000 omitted) :

	Cwt.	Rx.
1889-90 .	10,256	8,639,861
1890-91 ..	11,986	7,602,010
1891-92 .	8,532	6,848,493
1892-93 .	10,537	7,944,223
1893-94 .	8,690	8,524,130
1894-95 .	12,977	10,575,977
1895-96 .	12,267	9,992,861
1896-97 .	11,464	10,550,577
1897-98 .	15,023	10,129,992
1898-99 .	9,864	6,941,245

About half the jute exported is shipped to the United Kingdom ; Germany, and, following Germany at a long distance, the United States, take the largest share of the other half. The quantities taken by France and other Continental countries are relatively unimportant, while only trifling quantities are sent to other parts of the world.

Seeds.—The exports in the last decade have been :

	Cwt. (000 omitted.)	Rx.
1889-90 .	15,795	10,627,553
1890-91 .	14,799	9,343,252
1891-92 .	19,164	12,208,458
1892-93 .	16,509	11,631,015
1893-94 .	24,229	16,753,251
1894-95 .	20,887	14,201,520
1895-96 .	13,672	9,717,431
1896-97 .	11,398	8,011,680
1897-98 .	12,553	8,594,100
1898-99 .	19,280	11,847,194

This important trade recovered during the year from the depression caused by three years of indifferent or bad harvests, and approximated to the average of previous fair years. But there is room for improvement ; neither linseed nor rapeseed has reached the dimensions which the trade attained in former years, and the trade in earthnuts, which but recently seemed full of promise, has practically ceased—in the last two years, the combination of disease and bad seasons having caused the crops to fail miserably in Madras and be extremely bad in Bombay. The quantity of each description of oilseed exported—that is, of the principal kinds—is stated below (cwt., 000 omitted) :

	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.	1898-99.
Castor . . .	1,108	1,175	1,048	998	1,059	1,210
Earthnuts . . .	1,537	2,267	1,118	486	45	88
Linseed . . .	10,245	9,016	5,629	5,350	4,683	8,827
Poppy . . .	846	586	738	865	778	871
Rape . . .	7,319	4,754	2,250	1,889	3,560	4,789
Til or jinjili . .	2,424	2,325	2,461	1,587	2,011	3,070

Silk.—This is one of the exceptions to the general resumption of activity in trade last year, and it is becoming increasingly difficult to resist the conclusion

that the trade is in a decadent condition, unable to find an expanding place in a market which is amply supplied with raw silk from France, Italy, the Levant, China, and Japan, in every case, it must be admitted, of better quality than Bengal silk. It is said that Bengal silk is in demand, but it is unfortunate that the production of that silk is falling away in consequence of the prevalence of disease. This has happened before in other parts of India, completely destroying a promising trade, and it is a matter in which the active intervention of the State is warranted and expedient. The course of the trade in the last six years has been (lbs., 000 omitted) :

	Reeled.	Chasam (waste).	Cocoons.	Total value in Rx.
1893-94	613	1,081	77	698,099
1894-95	511	794	26	502,009
1895-96	708	1,072	12	642,169
1896-97	595	899	1	511,661
1897-98	622	1,038	2	514,850
1898-99	513	1,046	5	458,003

Teak timber.—This trade has been active and prosperous in the last two years, the dimensions and value having largely exceeded those of the preceding four years. This expansion may be assigned mainly to the continued demand in shipbuilding yards, State and private, which have never been so actively employed as in the last year or so, and partly to successful competition with Siamese teak, which has been found of undesirable quality while the quantity obtainable at reasonable prices is limited, owing to forest mismanagement. The trade in Indian teak is:

	Cubic tons.	Rx.
1894-95	56,495	570,130
1895-96	63,516	670,974
1896-97	64,221	686,483
1897-98	81,866	954,652
1898-99	77,376	954,802

Wool.—The recovery of the trade in 1897-98 was not maintained, and the exports of last year declined under the discouraging influence of a low level of prices in England, whither our wool is sent. This trade has been greatly affected by the troubles arising out of the prevalence of plague :

	lbs. (000 omitted.)	Rx.
1894-95	31,150	1,376,850
1895-96	31,042	1,355,108
1896-97	28,433	1,241,497
1897-98	30,893	1,356,537
1898-99	27,978	1,253,483

Other raw material.—Of a number of relatively small items in this group the value is stated below (in Rx) :

	1896-97.	1897-98.	1898-99.
Bristles	93,734	104,434	107,030
Caoutchouc	89,849	84,478	122,362
Oilcake	191,767	138,373	153,056
* Rice-bran	255,551	268,490	244,166
Hemp	231,118	193,314	218,120
Horns	167,324	155,782	157,106
Animal bones	411,303	391,125	403,563
Mica	115,336	106,857	80,835

ARTICLES MANUFACTURED AND PARTLY MANUFACTURED.

The following figures indicate the relative proportions of each principal class of manufactures in the last five years (Rx) :

	1894-95.	1895-96.	1896-97.	1897-98.	1898-99.
Cotton yarn and goods . . .	7,148,679	8,344,587	8,496,474	8,151,338	7,788,470
Jute goods	4,210,834	4,747,443	5,213,930	5,930,856	5,798,359
Tanned hides and skins . . .	3,680,364	4,011,185	3,766,794	3,823,237	3,294,135
Lac	1,394,908	1,826,206	1,383,245	1,060,664	856,492
Coir goods	222,461	313,126	240,031	273,419	298,455
Woollen goods	151,342	182,885	202,032	223,899	229,285
Apparel	178,169	208,283	190,790	164,135	151,928
Silk goods	167,198	183,399	159,841	126,041	128,189

In none of the first four classes in the list was the trade of last year equal to that of 1897-98, these four being the only classes of importance in the group of manufactured articles.

Cotton yarn and goods.—The exports of yarn during the year were on a very large scale, but prices maintained a downward tendency, following on a fall in the preceding year. In piece-goods the conditions were different, the exports being smaller and prices higher ; the exports were indeed smaller than in any year of the preceding ten years, with one exception. This trade is of much smaller importance than the trade in yarns, the value of the latter representing six or seven times the value of piece-goods. As long as the consumer prefers to take the yarn spun in the Indian mills and weave it by hand, there is not much hope for expansion in the exports of woven cloth. This is the case in China, to which most of our shipments of yarn are sent. China is, and probably will remain, a comparatively limited market for Indian cloth, which is most largely bought on the eastern coast of Africa, the coasts of the Persian Gulf and Red Sea, Ceylon, and the Straits. In these regions, and especially on the African, Arabian, and Persian coasts, mill-woven goods from Bombay should find an expanding market where no effective competition is likely to arise among people who do not weave for themselves, whose ordinary raiment is the stout stuff woven in Bombay from short-stapled Indian cotton. The reconquest and pacification of the Soudan and the construction of the Uganda railway afford good opportunities to the Bombay millowner and trader for pushing their cottons in those regions, and it may be anticipated that in a few years hence the trade will attain materially larger proportions, especially if the Indian population in those regions should increase. The exports to Natal, for instance, are increasing owing to the presence of the Indian coolies there ; and of the existing trade in piece-goods a large proportion—but little less than half the value—is done in the export of dyed and printed cloth from Madras to the Straits and Ceylon for wear by the Madras coolies in those colonies.

The extent of the trade in yarns and piece-goods, and the destinations of the articles, are stated in the tables appended :

Yarn.		Rx.	Piece goods.		Rx.
lbs. (ooo omitted.)			Yards. (ooo omitted.)		
1889-90	141,950	5,748,732	1889-90	59,462	911,179
1890-91	169,275	6,543,364	1890-91	67,639	1,040,414
1891-92	161,253	5,771,033	1891-92	73,351	1,132,182
1892-93	189,175	6,773,482	1892-93	79,678	1,222,349
1893-94	134,066	4,974,133	1893-94	72,715	1,173,698
1894-95	158,854	5,672,024	1894-95	85,644	1,371,838
1895-96	184,362	6,730,836	1895-96	92,662	1,498,963
1896-97	195,996	7,173,108	1896-97	74,577	1,203,845
1897-98	199,946	6,966,832	1897-98	62,252	1,064,889
1898-99	219,624	6,603,088	1898-99	60,619	1,058,383

Principal Countries to which exported.

	Yarn, lbs. (ooo omitted.)				Piece-goods, yards. (ooo omitted.)			
	1895-96.	1896-97.	1897-98.	1898-99.	1895-96.	1896-97.	1897-98.	1898-99.
China	174,710	186,073	189,472	208,976	21,492	14,506	4,802	4,361
Straits	3,964	4,634	4,440	5,121	7,588	7,302	6,765	7,923
Aden	1,573	1,551	2,053	1,687	15,345	11,498	14,921	11,593
Asiatic Turkey	734	1,199	943	1,405	3,034	2,948	1,803	2,112
Arabia	511	463	533	610	3,506	2,711	2,786	2,061
Persia	993	748	1,145	1,319	1,689	1,678	1,240	913
East Coast of Africa . .	115	82	138	120	26,840	25,546	18,829	20,035
Ceylon	46	89	103	126	6,823	5,523	7,737	7,066
Mekran and Sonmiani . .	1	1	...	3	1,731	858	1,146	1,041

The spinning and weaving industry in India continues to expand from year to year, although there are complaints of absence of profit. These complaints, however, may be said, speaking generally, to be restricted to mills which are not well managed or which are worked on the vicious basis of allowing to the firms which finance them a remuneration in the form of a specific sum for each pound of yarn or cloth produced. This arrangement cannot be expected to benefit the shareholders of the mill concerned, nor can it be expected that the overstocking of markets and inevitable fall in prices can benefit the industry generally. The system continues to exist only because there is such a scarcity of capital in India to put into industrial enterprise. Still, notwithstanding such drawbacks and difficulties, so vast is the internal and external market commanded by the mills, and so great are the advantages they possess in cheap raw material, cheap labour, and proximity to markets, that the industry must continue to expand as it has done in the past. The progress made since the closure of the mints, which was to be the ruin of the industry, is apparent from the figures below from which it will be seen that there were considerable additions in the year to the number of mills, spindles, and looms. If the rate at which expansion has hitherto proceeded is maintained,—and it is probable that it will be exceeded—India should possess at least 240 mills in another ten years.

	Mills.	Spindles.	Looms.
1893-94 .	137	3,539,681	29,392
1894-95 .	143	3,711,669	34,161
1895-96 .	147	3,844,307	37,278
1896-97 .	154	3,975,719	37,303
1897-98 .	163	4,210,756	36,946
1898-99 .	176	4,445,233	37,520

But though much of the complaint of absence of profit may be traced to bad arrangements, it is unfortunately true that the industry in Bombay, where the bulk of it is concentrated, has been seriously harassed by the conditions resulting from the continuance of plague, especially in regard to labour, and it is creditable to the mill-owning community that their energy has prevented more serious disorganisation than has actually occurred. In the face of very grave difficulties the production of the mills has continued to increase through all the time of trouble, as the figures appended testify:

	Yarn (lbs.).	Woven goods (lbs.).
1895-96 .	430,472,000	(incomplete figures).
1896-97 .	419,196,000	81,415,000
1897-98 .	453,659,000	88,026,000
1898-99 .	502,617,000	98,658,000

These figures relate only to mills in British India. Adding to them the production of mills in native territory the production last year was represented by 512,372,000 pounds of yarn and 101,685,000 pounds of woven goods.

It appears that in the last two years something less than half the production of yarn—say 44 per cent—was exported, chiefly to China. The competition of China in the spinning of yarn is as yet of no significance, Her Britannic Majesty's Consul General at Shanghai reporting a few months ago that the number of spindles was only 313,000, that the industry had done so badly that there was a temporary stoppage during the autumn, and that most of the mills had abandoned night work. The competition of Japan is distinctly more serious, that country having possessed at the end of 1898 1,108,404 spindles. But if Indian spinners complain of competition, similar complaints are made by the Chinese and Japanese spinners, and in both countries the industry is reported to have done very badly. In Japan, the millowners, as in China, had to work short time, stopping work for four days every month, and to appeal to the Government for financial aid in loans at easy rates, complaining of the high rates of interest they were compelled to pay in competition with China and India. If therefore the Indian millowners think they have reason to complain of hard times, the reason does not lie in prosperity filched from them by competitors in the Far East. On the question of permanent success in the competition with Japan there can be no serious doubt that India with her cotton fields outside the doors of the mills can hold her own against a country which is under the disadvantage of importing the cotton required and has no special compensating advantages.

The yarn produced in India is, all but a small proportion, of the coarser counts or numbers, thus :

	lbs.
Nos. 1 to 10 . . .	144,439,000
„ 11 to 20 . . .	296,825,000
„ 21 to 30 . . .	55,530,000
„ 31 and upwards . . .	5,823,000

Of No. 31 and higher counts, four-fifths are spun in the Bombay mills.

Similarly the goods woven are mainly of the coarser kinds, woven from yarn of low counts :

	lbs.
Shirtings and longcloths . . .	26,792,000
Dhuti's	20,265,000
T-cloths, domestics, and sheetings . . .	19,575,000
Chádars	10,397,000
Other grey goods	10,617,000

Jute.—The value of the exports of manufactured jute in the last ten years has been :

	Rx.
1889-90 . . .	2,791,242
1890-91 . . .	2,481,961
1891-92 . . .	2,513,100
1892-93 . . .	3,237,993
1893-94 . . .	3,441,787
1894-95 . . .	4,210,834
1895-96 . . .	4,747,443
1896-97 . . .	5,213,930
1897-98 . . .	5,930,856
1898-99 . . .	5,798,359

The small decline was due to a restriction in the trade in bags, the exports of cloth having increased to meet the demand caused by the very large amount of cotton to be baled in the United States. There is said to be a movement on foot in Brazil for the substitution of cotton for jute in the bagging of coffee. It is said that jute is not so suitable as cotton for the purpose, but the purpose of the movement lies in the encouragement of the Brazilian cotton-grower. The movement will probably come to nothing, but anything of the kind merits attention.

Though there was a restriction in the foreign demand for bags, the internal demand for those articles was large in consequence of the active export of wheat and seeds, and the consignments of jute goods from Calcutta by rail were about forty per cent in excess of those of the preceding year. It was not, however, a profitable year for the mills, which were affected by disorganisation of labour when plague broke out in Calcutta. The mills indeed agreed about the end of the year to work short time, and then disagreed. However, it is understood that capitalists are not discouraged by the claims of labour for higher wages, and that a large mill is to be added to those now in existence. Although the year was not a good one more money was put into the industry and additions were made to its productive capacity :

	1897-98.	1898-99.
Nominal Capital Rx	4,605,000	4,955,000
Looms	13,245	13,469
Spindles	274,907	280,942

The exports of gunny-bags and cloth have been as follow :

	Bags (No. millions).	Cloth (million yards).
1889-90	97'41	37'14
1890-91	98'75	29'85
1891-92	106'25	37'29
1892-93	123'97	40'06
1893-94	131'27	69'67
1894-95	143'44	103'12
1895-96	168'25	114'18
1896-97	165'95	169'41
1897-98	197'62	242'95
1898-99	180'90	280'38

The principal consuming countries for gunny-bags are :

	(Millions.)
United Kingdom	38'49
Australia	31'72
Straits Settlements	24'24
United States	23'79
Chilé	13'64
Egypt	8'87
Germany	6'86
China	4'69
Belgium	3'84
Asiatic Turkey	3'51
Hawaii	3'28
Cape Colony	3'14
European Turkey	2'83
Natal	2'46

The principal countries which take gunny cloth are :

	Million yards.
United States	195'66
Argentina	44'29
United Kingdom	20'41
Uruguay	4'12
China	3'98
Germany	3'59
Australia	3'54

Woollen goods.—This trade, which consists mostly of carpets and rugs, is as yet small, but its expansion has been effected somewhat rapidly ; and it seems probable that it may further expand and compensate for the loss of the export trade in silk manufactures which is in a decadent condition. But few people, even among the natives of India, prefer Indian to European or Japanese silks, but everybody likes and desires to possess a good Indian carpet. The trade in carpets and rugs has advanced as follows :

	Rx.
1894-95	115,634
1895-96	154,153
1896-97	182,392
1897-98	203,704
1898-99	202,346

Tanned hides and skins.—The exports are :

	Cwt.	Rx.
1894-95	315,035	3,680,364
1895-96	367,721	4,011,185
1896-97	341,726	3,766,794
1897-98	366,195	3,823,237
1898-99	297,447	3,294,135

It is stated in Madras, where the bulk of this trade is carried on, that the demand in the United States for tanned skins has been reduced and transferred to the untanned article, which is tanned in the States by a new process. If this is so, it will be unfortunate for the tanners of Southern India.

Lac.—In this violently fluctuating and speculative trade, the very large exports of three years were followed by a relatively contracted trade last year :

	Cwt.	Rx.
1893-94	121,417	952,149
1894-95	159,238	1,394,908
1895-96	201,671	1,826,206
1896-97	203,757	1,383,245
1897-98	216,462	1,060,664
1898-99	178,083	856,492

The other manufactured articles which India exports are of no special importance. The larger of these are specified below, with their value (Rx)*:

	1896-97.	1897-98.	1898-99.
Coir	240,031	273,419	298,455
Apparel	190,790	164,136	151,928
Silks	159,841	126,041	128,189

General distribution of the export trade.—The total value of the exports of Indian produce and manufactures in the last four years was thus distributed among the principal countries with which the trade is carried on :

	1895-96.		1896-97.		1897-98.		1898-99.	
	Rx.	Per cent.	Rx.	Per cent.	Rx.	Per cent.	Rx.	Per cent.
1. United Kingdom .	35,000,899	= 31'9	31,646,304	= 31'7	29,196,201	= 31'1	32,006,018	= 29'3
2. China . . .	13,778,103	12'6	13,681,925	13'7	12,082,642	12'9	12,707,913	11'6
3. Germany . . .	8,054,374	7'3	7,535,579	7'5	7,181,595	7'6	8,245,806	7'5
4. France . . .	8,664,871	7'9	6,355,496	6'4	5,627,199	6	7,815,970	7'1
5. Egypt . . .	5,175,741	4'7	4,853,561	4'8	3,947,339	4'2	6,847,080	6'3
6. Straits Settlements .	5,845,931	5'3	5,007,998	5	4,293,598	4'6	5,644,409	5'2
7. United States . .	5,907,555	5'4	4,813,706	4'8	5,874,709	6'3	5,384,191	4'9
8. Japan . . .	2,789,436	2'5	4,075,886	4'1	4,157,981	4'4	5,215,587	4'8
9. Belgium . . .	3,941,490	3'6	3,052,888	3'1	3,027,958	3'2	4,742,180	4'3
10. Ceylon . . .	3,500,082	3'2	3,109,983	3'1	3,997,789	4'3	4,207,212	3'8
11. Italy . . .	3,122,050	2'8	3,027,963	3	2,674,166	2'8	3,305,053	3
12. Austria-Hungary .	3,344,489	3'5	2,495,685	2'5	2,101,259	2'2	2,087,180	1'9
13. Australia . . .	1,213,368	1'1	1,178,276	1'2	1,235,866	1'3	1,281,956	1'2
14. South America . .	1,182,021	1'8	1,436,142	1'4	1,712,047	1'8	1,274,553	1'2
15. Mauritius . . .	1,092,737	1	1,125,926	1'1	1,124,202	1'2	1,271,087	1'2

The division of the trade with Europe between the United Kingdom and the Continent was Rx. 32,006,000 to the former, and Rx. 27,124,000 to the latter, last year ; an increase of 9'6 per cent on the preceding year's trade for the United Kingdom and of 26'7 per cent for the Continent.

PART V.

Trade with Countries.

The trade of India with the world, in merchandise imported and exported, was distributed as follows in the last five years (Rx, 000 omitted) :

	1894-95.	1895-96.	1896-97.	1897-98.	1898-99.
Europe	120,510	122,366	116,851	109,071	117,645
Africa and adjacent islands	10,624	10,937	10,807	9,252	13,089
Asia	37,382	40,343	38,465	37,716	40,473
America	8,892	8,481	7,943	9,194	8,282
Australia	1,574	1,452	1,642	1,571	1,613
TOTAL	178,982	183,579	175,708	166,804	181,102

The trade with Europe was about 65 per cent, and with Asiatic countries about 22 per cent, of the whole, last year.

In the appended list are enumerated the countries with which our trade last year was two millions of Rx and upwards (values in Rx, 000 omitted) :

	1894-95.	1895-96.	1896-97.	1897-98.	1898-99.
1. United Kingdom	84,940	83,304	82,914	76,665	79,886
2. { China—Hongkong	9,882	9,967	9,799	8,987	9,230
„ Treaty Ports	5,476	6,788	6,168	4,931	5,316
Total of China	15,358	16,755	15,967	13,918	14,546
3. Germany	9,455	10,412	9,855	9,623	9,983
4. France	9,542	9,657	7,288	6,526	8,858
5. Straits Settlements	7,732	8,285	7,172	6,973	7,980
6. Egypt	4,951	5,458	5,077	4,161	6,991
7. Belgium	5,662	6,681	5,463	5,324	6,980
8. United States	6,949	7,053	6,235	7,307	6,750
9. Japan	1,970	3,237	4,642	4,708	5,783
10. Ceylon	3,902	4,214	3,927	5,170	5,012
11. Austria-Hungary	3,637	4,675	3,991	4,253	4,526
12. Italy	3,338	3,561	3,535	3,198	3,877
13. Mauritius	3,363	2,956	3,036	2,881	3,286
14. Russia	1,488	2,269	2,446	2,290	2,183
15. Persia	3,175	2,587	2,022	2,096	2,146
16. Arabia	1,755	1,830	1,586	1,674	2,000

It should be noted that the places assigned in the foregoing list to some of the European countries would perhaps need revision if we knew the destinations of the exports shipped to Egypt.

The trade last year, in merchandise and treasure, with countries under a gold standard amounted to 170 millions of Rx, being 82.4 per cent of the aggregate trade. The value of trade with silver standard countries was Rx. 36.4 millions, being 17.6 per cent of the whole. Amongst the gold standard countries are classed those which work with the Indian currency system, Aden, Ceylon, Mauritius.

United Kingdom.

Imports amounted to Rx. 47 millions last year, a small increase on the trade of the preceding year. In this part of the trade with European countries the United Kingdom continues predominant, for the imports from Continental countries represent the relatively small sum of Rx. 10½ millions only. The relative

proportions of the imports into India from the United Kingdom and from other European countries are stated in the figures below, which indicate that, though imports from two or three Continental countries have expanded rapidly, the increase in the aggregate is slow, and it should be noted that much of the increase in the value of imports from the Continent is due to the trade in beet sugar, in which the United Kingdom has no place (millions of Rx) :

	<i>From United Kingdom.</i>	<i>From other European countries.</i>
1895-96 . . .	47'16	10'10
1896-97 . . .	50'30	10'03
1897-98 . . .	46'45	10'84
1898-99 . . .	47'03	10'57

In the export trade the Continent has a much larger share, due to the creation of new trade as well as to the diversion to direct lines of trade which was formerly carried by way of the United Kingdom (millions of Rx) :

	<i>To United Kingdom.</i>	<i>To other European countries.</i>
1895-96 . . .	36'14	28'96
1896-97 . . .	32'62	23'90
1897-98 . . .	30'21	21'57
1898-99 . . .	32'85	27'18

The bulk of the imports (about 56 per cent of them) from the United Kingdom consists of cotton yarn and woven goods. The conditions of the trade in these articles have already been discussed, and, as they are practically all imported from the United Kingdom, it is unnecessary to notice the fluctuations again.

Of the other principal articles imported from the United Kingdom, as enumerated in the list appended, it may be said that two items present manifest symptoms of decline—coal and silks. English coal is being gradually superseded by Indian coal, while a larger direct trade in French and Italian silks, combined with the energetic impulse which has been given to Japanese silks, has greatly reduced the trade from England. The imports of copper have been temporarily affected in the last three years, for the reasons stated elsewhere in this paper. The level of the other articles has either been maintained or raised. The increase in railway materials is particularly noticeable, and one is inclined to ask, in view of such an extensive and expanding trade, what is the meaning of the recent agitation over a small order for railway bridgework given in the United States. The figures below are Rx :

	1894-95.	1895-96.	1896-97.	1897-98.	1898-99.
Apparel	820,953	889,248	871,033	779,896	824,460
Coal	1,392,395	1,356,895	821,577	488,381	607,031
Chemicals, drugs, medicines and narcotics, and dyes	842,299	912,340	802,854	882,314	823,167
Hardware and cutlery	1,093,809	1,167,315	1,212,738	1,158,370	1,108,078
Liquors	1,071,003	1,231,871	1,174,017	1,132,749	1,171,112
Machinery	2,411,592	3,187,817	3,466,746	2,817,221	3,013,673
Copper	1,205,595	1,524,676	614,389	997,542	833,300
Iron and steel	1,811,239	2,444,794	2,424,900	2,712,552	2,139,082
Provisions and oilman's stores	686,269	717,656	675,620	684,213	657,964
Railway plant and rolling stock	1,550,493	1,504,380	2,548,507	2,727,112	2,787,238
Salt	536,885	433,724	393,463	568,145	430,735
Silk manufactures	309,092	560,019	319,185	264,703	287,383
Woollen manufactures	938,099	939,644	1,138,460	830,584	1,064,248

The principal articles in the export trade, and their values (Rx) in the last five years, are :

	1894-95.	1895-96.	1896-97.	1897-98.	1898-99.
Coffee	1,042,064	1,059,854	833,370	835,354	1,136,254
Cotton	768,372	1,564,895	887,859	423,545	411,884
Indigo	1,480,495	1,867,093	1,654,075	653,274	717,540
Rice	1,869,152	2,076,995	1,609,940	1,100,527	2,090,367
Wheat	1,785,386	2,344,999	656,871	929,551	4,532,385
Hides and skins .	3,037,385	3,444,619	3,344,332	3,610,152	3,154,866
Jute	5,877,092	6,252,769	6,435,704	5,816,362	3,767,177
Jute manufactures	801,019	733,998	880,725	982,996	923,180
Lac	800,617	987,829	784,523	511,880	341,080
Linseed	2,597,134	1,727,559	1,309,350	1,326,043	2,046,810
Sugar	437,384	491,718	599,056	188,764	122,790
Tea	6,971,046	6,938,179	7,483,365	7,455,084	7,319,213
Wool	1,343,185	1,310,336	1,219,728	1,335,933	1,228,762

Detailed observation on the course of trade in these articles is unnecessary, for the fluctuations are in no case dependent on conditions special to the United Kingdom, and the remarks elsewhere on the general course of the Indian export trade apply to the exports to the United Kingdom.

The extent to which England dominates the commercial relations of India is evident from the fact that 44 per cent of the whole of our imports and exports of merchandise are imports from and exports to the United Kingdom, while the vessels engaged in carrying goods to and from India fly the British flag to the extent of between 84 and 85 per cent of the whole carrying capacity of the vessels which enter Indian ports.

Austria-Hungary.

The principal articles in the trade and their value (in Rx) are :

<i>Imports.</i>	1896-97.	1897-98.	1898-99.		1896-97.	1897-98.	1898-99.
Apparel	160,622	136,380	166,720	<i>Exports.</i>			
Cotton yarn . . .	52,939	48,087	45,449	Cotton	1,369,696	792,220	906,434
„ manufactures .	200,286	173,417	222,324	Indigo	338,926	255,918	259,895
Glass and glassware .	166,797	132,701	179,909	Hides and skins .	226,042	367,195	296,300
Hardware and cutlery .	99,207	89,085	71,041	Jute	238,399	382,263	243,224
Paper	100,321	83,806	87,098	Seeds (chiefly til and linseed) . .	150,149	107,652	192,447
Sugar	131,379	1,044,532	1,084,884				
Woollen goods . . .	197,291	95,975	162,555				

The one important article imported is sugar, and this has very rapidly risen to extremely large dimensions. In 1894-95 the quantity imported was only 7,000 cwt.; in 1896-97 we received 115,000 cwt.; in the following year the quantity was multiplied eight times, the imports reaching about 946,000 cwt.; and last year they exceeded a million cwt. (1,063,737). The stimulus given to the trade by the closing of the American market to Austrian sugar, under the operation of a tariff law imposing duties to countervail the bounties, was so great that German beet sugar, which had been imported in increasing quantities, was compelled to withdraw from competition. The field was then left clear for Austrian

sugar, but it is not possible to say now whether the trade was capable of still further expansion or had reached possible limits, for towards the end of the year India adopted the example of the United States and imposed countervailing duties. What the effect of these may be in diminishing imports cannot as yet be said; during the first quarter of the present year the imports of sugar from Austria have somewhat declined, from Germany they have sunk to a low level, and from Mauritius they have increased. But it is premature to infer that the conditions of such a short period are the result of the duties; they may be simply a temporary reaction from an overdone trade, and all that can be said with any assurance at present is that the duties have increased to the consumer the price of all sugar, whether imported or produced in India.

The value of sugar represented not much less than half of the aggregate value of imports from Austria last year. There was, until sugar came into the market, no indication of an increase in imports from that country, nor is there any indication of an increase in the exports thither. The values of both are (in Rx):

1893-94	1,371,383	2,949,448
1894-95	1,194,115	2,443,366
1895-96	1,324,871	3,350,506
1896-97	1,487,788	2,503,463
1897-98	2,146,793	2,105,849
1898-99	2,428,375	2,097,513

Belgium.

The principal articles in the import and export trade, and their values, are (in Rx):

<i>Imports.</i>	1896-97.	1897-98.	1898-99.	<i>Exports.</i>	1896-97.	1897-98.	1898-99.
Iron	715,373	596,983	559,046	Cotton	1,578,643	910,037	1,243,724
Steel	430,449	536,377	448,485	Seeds	1,058,944	1,661,826	2,117,133
Aniline and alizarine dyes .	360,516	309,629	294,030	Wheat	23,522	75,993	986,102
Copper	120,070	106,565	101,539	Hemp	92,975	81,004	111,457
Glass, chiefly sheet and other ware	126,434	92,898	104,312	Gunny-bags	75,834	87,174	67,480
Hardware and cutlery	48,250	68,735	68,263				
Candles	30,573	33,515	20,859				
Earthenware and porcelain . .	41,834	46,787	41,190				
Matches	23,189	47,398	57,017				
Paints and colours	37,444	18,251	29,964				
Paper	44,686	28,665	30,204				
Silk goods	49,792	31,677	59,577				

The imports from Belgium do not appear to be able to keep up to the level which they reached four years ago, and in the three most important articles—the first three on the list—there is a more or less considerable decline. It is satisfactory to know that Indian candles and cheap English paper are competing successfully with candles and paper from Belgium and other Continental countries. The aggregate value of imports and exports is (Rx):

	<i>Imports.</i>	<i>Exports.</i>
1893-94	2,053,276	5,726,972
1894-95	1,866,364	3,795,543
1895-96	2,729,646	3,953,231
1896-97	2,403,702	3,059,584
1897-98	2,284,839	3,039,238
1898-99	2,230,432	4,749,211

France.

The imports and exports are (Rx) :

<i>Imports.</i>	1896-97.	1897-98.	1898-99.	<i>Exports.</i>	1896-97.	1897-98.	1898-99.
Apparel, including millinery .	199,424	147,742	191,386	Coffee	513,243	472,519	426,469
Clocks and watches	64,377	59,708	72,922	Cotton	974,494	433,009	760,134
Saffron	37,877	59,329	49,707	Indigo	338,438	256,292	215,738
Glass beads and false pearls .	42,560	24,137	29,163	Wheat	100,797	198,485	1,710,678
Spirit, chiefly brandy	147,780	176,328	186,504	Hides and skins	228,842	316,455	190,781
Wines	66,031	62,153	60,420	Jute	595,040	323,575	330,844
Metals	37,016	33,581	33,466	Seeds	2,841,289	2,848,749	3,641,597
Silk goods	129,844	77,319	201,219	Silk, raw	299,737	223,521	271,437
Cotton goods	23,096	36,494	68,435				

And the totals of the trade are (Rx) :

	<i>Imports.</i>	<i>Exports.</i>
1893-94	1,138,262	10,694,311
1894-95	860,430	8,681,705
1895-96	978,970	8,678,443
1896-97	920,096	6,368,132
1897-98	882,796	5,642,778
1898-99	1,031,845	7,826,415

The import trade did better than it had done for years, and the export trade was augmented by a temporary removal of the practical prohibition against the entry of foreign wheat which the French fiscal system imposes. A larger supply of oilseeds in India also led to increased exports to France where the Marseilles soapmaking industry consumes important quantities of til seed (sesamum), while other industries require linseed and rapeseed. The exports of earthnuts, also required for soapmaking, have unfortunately fallen to a very low level, in consequence of repeated failures in the Indian crop; the ruin of the trade is manifest in the fact that a value of Rx. 1,047,000 in 1894-95 has dwindled year after year, reaching only Rx. 45,000 last year. Success is to be earnestly hoped for the efforts now being made by the introduction of new seed to revive what was a most promising industry.

Germany.

The principal articles in the trade, and their values, are (Rx) :

<i>Imports.</i>	1896-97.	1897-98.	1898-99.	<i>Exports.</i>	1896-97.	1897-98.	1898-99.
Sugar	875,739	1,278,805	433,813	Coir and coir goods	56,822	67,332	79,083
Woollen goods	259,457	148,660	234,459	Cotton	2,185,077	1,432,479	1,749,903
Hardware and cutlery	153,197	119,104	132,640	Indigo	319,076	177,091	182,275
Salt	80,704	115,847	80,847	Rice	158,213	115,883	263,181
Apparel	79,951	38,940	41,971	Wheat	...	1,100	130,282
Glass and glassware	91,772	62,846	73,391	Hides and skins	1,115,927	1,433,682	1,290,453
Iron	47,772	32,341	35,834	Jute	1,801,997	1,990,712	1,624,290
Steel	16,503	17,323	14,767	Gunny-bags and cloth . . .	153,675	210,348	148,983
Cotton yarns and manufac- tures	58,779	66,901	100,548	Lac, button and shell . . .	161,010	134,113	119,435
Aniline and alizarine dyes . .	40,494	52,427	46,100	Seeds	1,196,428	1,221,654	2,113,416
Chemicals, drugs, narcotics . .	39,876	42,024	38,751				
Beer	74,441	45,336	47,631				
Spirit	47,686	48,403	48,735				
Paper	59,600	37,512	39,242				
Matches	33,728	34,118	36,887				

And the totals are (Rx) :

	<i>Imports.</i>	<i>Exports.</i>
1893-94	1,714,003	7,648,508
1894-95	1,731,453	7,723,662
1895-96	2,351,776	8,060,763
1896-97	2,307,821	7,546,830
1897-98	2,434,519	7,188,441
1898-99	1,727,875	8,254,755

As in the case of Austria, sugar is the one really large item in imports from Germany, and with the decline in that trade the aggregate value of the imports has receded to the level it reached five or six years ago. Most of the other articles in the foregoing list seem to have reached a level at which they remain stationary.

The export trade is not completely presented in the list, for there is a far larger German market for rice from India than is here indicated, but the rice is shipped to Port Said for orders, and appears in the accounts as shipped to Egypt. In October 1898 the Hansa line of steamers made a new development in the establishment of a direct line between Rangoon and Hamburg, and it is therefore to be expected that the record of direct trade with Germany will be increased.

Italy.

The principal imports and exports are (in Rx) :

<i>Imports.</i>	1896-97.	1897-98.	1898-99.	<i>Exports.</i>	1896-97.	1897-98.	1898-99.
Corals	64,771	57,747	63,892	Cotton	1,626,548	1,132,901	1,229,013
Cotton goods	46,136	82,122	115,987	Indigo	104,836	62,148	69,648
Mineral dyes	52,079	82,819	78,469	Hides and skins	281,665	426,299	415,627
Glass beads and false pearls	36,949	28,433	30,509	Jute	343,754	374,825	242,322
Silk goods	134,247	93,396	114,838	Seeds	570,715	547,220	660,043
				Wheat	23,231	64,902	588,632

And the total value of the trade (Rx) :

	<i>Imports.</i>	<i>Exports.</i>
1893-94	448,571	3,574,420
1894-95	342,039	2,996,303
1895-96	420,814	3,140,400
1895-97	464,717	3,069,860
1897-98	499,162	2,698,744
1898-99	556,928	3,320,613

The imports from Italy are greatly more numerous than is indicated by the list given above; they include apparel, cement, sulphur, works of art, marble, preserved fruits and provisions, wines, but all in small quantity.

The increase in the exports of wheat was due to temporary conditions, as in the case of France. At one time Italy took large quantities of Indian wheat and rice, but Protectionist ideas discouraged and stopped the trade and therewith placed a limit on the expansion generally of commercial intercourse between Italy and India. The geographical position of Italy would seem to make of that country the natural centre of the trade of India with Central and Southern Europe, and for some time it was hoped that the opening of the Suez canal might once again bring the current of Oriental trade into the lagoons of Venice. But fiscal laws shut out some of India's principal exports and Italy, under the pressure of burdensome taxation, was not able to compete with other countries in the production of the merchandise which is most wanted in India. The main tide of Indian trade in consequence is diverted from the Italian shores, and the diversion will continue with the continuance of present conditions.

Russia.

The principal import is mineral oil, almost entirely kerosene. The trade in this article has been discussed in Part II of this review. There are also

trifling imports of apparel, silk, both raw and manufactured, and timber. The aggregate value of the import and export trade is (Rx):

	Imports.	Exports.
1893-94 . .	1,263,014	665,327
1894-95 . .	1,007,645	480,186
1895-96 . .	1,867,558	401,916
1896-97 . .	2,019,594	426,228
1897-98 . .	2,080,756	209,707
1898-99 . .	2,052,995	130,079

It is of interest to examine into the causes of the striking decline in our exports to Russia, as stated above. The principal article in the trade was cotton. Six years ago the value of cotton exported to Russia was Rx. 498,000; in 1894-95 it fell to Rx. 270,000; in the following year the value was the trifle of Rx. 10,000; and then it went still lower, until last year's value was only Rx. 4,000. This is the outcome of the reduction in the price of American cotton, of plague regulations, and of fiscal arrangements favouring the cotton grown in Russian trans-Caspian territory. Another trade of recent origin was the re-exportation of Chinese tea from Bombay to Odessa. This began in 1894-95 with a trade value of Rx. 13,000, increased to Rx. 152,000 in the following year, and to Rx. 167,000 in 1896-97. Then it fell away to Rx. 98,000, and last year the trade was practically extinguished, the extinction being due to the concessions given to the vessels of the Russian volunteer fleet which carry on trade between Russia and the Far East calling at Colombo. These concessions account also for the restriction in the trade in Indian tea which, after having reached a level of 689,000 lbs. in 1897-98, fell last year to half a million pounds. The Russian market is being occupied, so far as it is not filled with Chinese tea, with tea from Ceylon. The exports of indigo, the finest qualities of which are taken for Russia, have also fallen away greatly in the last two years, but this is a fluctuating trade.

Cape Colony and Natal.

The trade with these colonies continues to be unimportant, though exports to them seem to be on a slowly ascending scale. To the Cape we send rice, gunny-bags, and teak; Natal takes rice and bags, and also sundry necessities for the Indian coolies there, notably cotton cloth and *ghi*. The value of the total exports to both colonies is (Rx):

	To Cape.	To Natal.
1893-94 . .	239,299	174,362
1894-95 . .	226,210	220,831
1895-96 . .	348,406	273,914
1896-97 . .	343,272	438,252
1897-98 . .	292,952	302,023
1898-99 . .	271,452	384,655

Egypt.

This country is prominent in the accounts of Indian trade because the speculation which accompanies the trade in rice and wheat leads to the shipment of those grains, especially rice, to destinations unknown at the time of shipment. The grain is consequently recorded as shipped to Port Said where orders are waiting for the destination of the steamer.

Imports from Egypt are as yet very limited, salt being the principal article, averaging about 30,000 tons. Cigars and cigarettes, and a small quantity of cotton for the Bombay mills in which the finer counts of yarn are spun, are the only other articles that need be mentioned, and their value is small.

The principal exports to Egypt and their values (in Rx) are :

	1894-95.	1895-96.	1896-97.	1897-98.	1898-99.
Indigo .	377,151	316,504	283,292	334,827	323,909
Rice .	3,536,367	3,672,269	3,720,549	2,936,037	4,118,190
Wheat .	163,717	608,767	335	16	1,574,145
Gunny-bags .	158,159	197,317	261,233	230,381	282,229

Mauritius.

From this colony the principal import is sugar, the staple—almost the sole—product of the island. The aggregate value of all imports in 1898-99 was Rx. 1,959,345, of which Rx. 1,918,110 represented the value of sugar.

The anticipations of the planters of Mauritius in 1893 that the closure of the mints, and in 1894 that the imposition of an import duty of 5 per cent, would ruin their trade with India, have not been realised. Indeed, the trade has been much larger since 1893 and 1894 than it ever was before. In 1898 the planters of the island found a new basis for predicting disaster in the competition of bounty-fed beet sugar, but in that year they sent sugar to India in much larger quantity than ever before, and their spirits were raised by the imposition in March 1899 of countervailing duties on bounty-fed sugars. Let us hope that they will not dwell in the midst of alarms for some years to come at any rate. The imports of sugar from Mauritius since 1893 have been (cwt) :

1893-94 .	1,361,649
1894-95 .	1,753,003
1895-96 .	1,571,993
1896-97 .	1,666,845
1897-98 .	1,778,016
1898-99 .	2,104,111

The exports to Mauritius need no particular comment. Rice and other food-grains, with flour, constitute about nine-tenths of the trade ; and these, with the other tenth, are required for the Indian coolies who people the island to the extent of from 65 to 70 per cent of the whole population.

Zanzibar.

As yet the trade with Zanzibar is of no particular importance. The value of the import trade depends on the clove crop, an uncertain and variable factor ; and the export trade, which is largely represented by cotton cloth and rice, is limited by the restrictions incidental to trade with sparsely peopled regions in which communications are difficult, tedious, and costly. The trade is also limited by the establishment of direct communication between Zanzibar and Europe. There may be a great change and development when the railway to Uganda is completed, and when—if it should happen—the native of India swarms out to trade in and cultivate the land between the coast and the lakes ; but, for the present the trade is represented by the figures appended (Rx) :

	Imports.	Exports.
1894-95 . .	260,783	736,039
1895-96 . .	255,282	718,104
1896-97 . .	205,055	749,456
1897-98 . .	155,655	781,909
1898-99 . .	234,857	1,049,252

United States.

The principal articles in the trade, and their values, are stated below (Rx):

<i>Imports.</i>	1895-96.	1896-97.	1897-98.	1898-99.
Mineral oil, chiefly kerosene	963,371	907,391	1,080,520	954,919
Cotton piece-goods (grey)	54,840	93,258	176,746	87,699
Tobacco	43,662	44,869	43,356	60,859
<i>Exports.</i>				
Hides and skins	2,052,683	1,524,820	1,886,903	1,839,663
Jute	863,442	659,086	858,055	594,160
„ manufactures	1,181,288	1,336,358	1,997,064	1,851,494
Indigo	613,884	571,827	516,637	406,641
Lac (button and shell)	453,744	293,531	275,416	293,908
Saltpetre	160,423	155,294	98,691	72,784
Cocanut oil	190,613	84,818	37,590	67,109
Tea	34,585	44,385	52,604	53,488

And the aggregate value of the trade (Rx):

	<i>Imports.</i>	<i>Exports.</i>
1893-94	2,016,270	3,359,821
1894-95	1,106,441	5,842,397
1895-96	1,139,438	5,913,896
1896-97	1,466,949	4,818,498
1897-98	1,431,075	5,876,095
1898-99	1,362,670	5,387,304

Our trade with the United States does not tend to increase. The import trade depends on kerosene oil, and the consumption of this oil does not expand because Russian oil is cheaper, being imported in bulk from a much shorter distance than the American oil packed in cans and wooden cases. The export trade also manifests no tendency to increase. The Americans do not now take Indian linseed, the cutch trade has also fallen away, and the demand for Indian mica has become trifling. Indigo is in a stationary condition, and tanned skins are in declining demand. As a set-off the trade in gunny cloth has increased very largely,—more than doubled in five years,—and an increase in raw skins has compensated for the reduction in the demand for tanned skins. Indian tea also has been sent to the United States in largely increased quantity in the last few years. This trade is as yet small, but it has infinite capacity for expansion, and it is possible to conceive that in the United States and Canada the Indian tea-planter may find a market only less extensive and remunerative than that of the United Kingdom. But this will not happen to-morrow, nor without persevering endeavour.

South America.

This trade is limited practically to the exportation of rice, gunny cloth, and gunny-bags. It is of importance only so far as regards the shipment of rice to Brazil, of gunny cloth to the Argentine Republic, and of gunny-bags to Chile; and this trade is stated below (Rx):

	<i>To Brazil.</i>	<i>To Argentina.</i>	<i>To Chile.</i>
1896-97	755,324	258,530	251,780
1897-98	997,666	309,510	165,755
1898-99	467,011	378,019	184,996

Aden.

The value of the trade is (Rx) :

	Imports.	Exports.
1894-95 . . .	166,221	1,055,705
1895-96 . . .	125,999	951,376
1896-97 . . .	136,826	940,648
1897-98 . . .	153,179	996,959
1898-99 . . .	115,342	1,205,767

Imports are small, being limited mainly to pearls in small quantity and salt, of which the quantity does not tend to increase. The export trade is of far greater dimensions, the needs of the settlement being for the most part met from India, while Aden is also a store for merchandise intended for Somáliland and the neighbourhood. This trade resembles in its general features the export trade with all Asiatic countries; it consists mainly of Manchester and Bombay cottons, grain and pulse, oils, provisions, seeds, spices, sugar.

Arabia.

	Imports. Rx.	Exports. Rx.
1893-94 . . .	355,998	1,089,176
1894-95 . . .	530,663	1,224,353
1895-96 . . .	564,480	1,265,511
1896-97 . . .	494,690	1,091,018
1897-98 . . .	499,471	1,174,761
1898-99 . . .	443,794	1,555,882

Local scarcity and the prohibitory decrees of Pashas caused a reduction in the imports and a large increase in exports of food-grains and flour from India.

Ceylon.

The principal imports and exports are (in Rx) :

<i>Imports.</i>	1896-97.	1897-98.	1898-9.	<i>Exports.</i>	1896-97.	1897-98.	1898-99.
Cocoanuts and kernel .	25,276	51,977	19,487	Animals . . .	85,234	96,382	83,604
Gunny-bags . . .	39,467	43,743	37,044	Coal . . .	96,952	106,183	216,995
Spirit (arrack) . . .	13,067	13,177	15,939	Cotton goods . . .	246,856	277,427	249,667
Cocanut oil . . .	226,910	376,586	196,755	Grain and pulse (chiefly rice) . . .	2,011,864	2,606,751	2,894,838
Spices (betelnuts and cardamoms mainly) .	157,998	199,797	181,412	Oil-cake . . .	74,550	27,350	43,423
Tea . . .	38,186	53,026	48,059	Oil (chiefly til) . . .	30,671	89,369	87,580
				Provisions . . .	129,604	159,533	115,697
				Seeds . . .	78,387	130,003	57,870
				Spices (chiefly chillies) .	41,240	96,003	82,404
				Wood and timber (chiefly teak) . . .	64,189	90,101	62,217

The aggregate value of the trade is (Rx) :

	Imports.	Exports.
1893-94 . . .	696,625	3,220,039
1894-95 . . .	451,821	3,450,161
1895-96 . . .	541,770	3,672,458
1896-97 . . .	682,644	3,244,759
1897-98 . . .	1,071,142	4,098,538
1898-99 . . .	702,005	4,310,070

The decline in imports followed a year of excessive trade in cocoanut oil and kernel; part of it is also accounted for by the fact that there was an exceptional importation of copper and sugar in 1897-98. Ceylon continues to provide India with tea to the extent of over a million pounds.

The exports of coal doubled themselves in the year, and there was a larger demand for rice at the lower level to which prices fell.

China.

Although the trade of India with China continues to be larger than Indian trade with any other country except the United Kingdom, it cannot be regarded as being in an entirely satisfactory condition. The import trade last year stood at precisely the same low level to which it had fallen in 1897-98, and that level was reached by a gradual fall from a value which six years before was double the value of the imports of last year. The principal imports, and the aggregate value of the import trade, are (Rx):

	Silk, raw.	Silk goods.	Tea.	Copper.	Sugar.	Dr ug (chiefly cam- phor and cassia lignea).	Total value of imports.
1893-94	1,072,016	638,676	472,552	322,381	513,329	112,710	3,542,556
1894-95	899,065	547,816	328,259	136,761	295,110	113,506	2,662,958
1895-96	938,334	626,483	410,564	129,078	266,190	104,134	2,805,858
1896-97	662,640	420,107	436,943	103,360	179,151	91,596	2,149,089
1897-98	480,158	373,295	118,110	12,491	334,838	103,336	1,691,012
1898-99	610,168	357,639	92,900	28,774	209,850	108,344	1,691,889

The importations of tea have fallen to a very low level, that portion of the tea which was intended for re-export to Persia and the trans-Caspian provinces of Russia having been driven away by the subsidised competition of the Russian volunteer fleet aiding the natural advantages of the Colombo route, and by the fiscal laws of Russia and Afghanistan. This trade is doubtless permanently lost. The decline in the other articles in the list may be more or less temporary, but it would be sanguine to hope for a revival of the trade to the measure of a few years ago.

The principal exports, and the aggregate value of the export trade, are (Rx):

	Cotton, raw.	Cotton yarn.	Opium.	Total value of exports.
1893-94	9,713	4,449,905	5,977,195	10,989,240
1894-95	68,113	5,139,464	6,819,076	12,548,725
1895-96	149,692	6,336,062	6,353,818	13,778,103
1896-97	393,842	6,762,472	5,880,045	13,681,925
1897-98	353,860	6,554,545	4,654,734	12,082,642
1898-99	609,525	5,237,068	5,360,474	12,707,913

The opium trade is not in a flourishing condition, although, in consequence of a bad opium crop in the Yangtze valley, exports and prices last year were better than in 1897-98, which was exceptionally bad in consequence of the stringency of the money market. The trade in yarns is said not to have been profitable, the market having been overstocked, but the threat of Chinese competition—a hardy annual since 1893—has not as yet translated itself into facts. Nor is the statement that China can supply the Japanese mills with raw cotton to the exclusion of the Indian fibre compatible with the fact that China is herself annually taking increasing quantities of Indian cotton.

Japan.

The principal articles imported, and the aggregate value of the trade, are (Rx):

	Matches.	Copper.	Silk goods.	Apparel.	Coal.	Total value of imports.
1895-96	106,231	76,734	65,794	50,327	16,157	417,193
1896-97	77,527	80,254	159,449	58,650	83,651	547,356
1897-98	131,484	49,346	241,811	15,605	20,335	534,519
1898-99	99,697	65,254	245,413	36,757	49,691	545,005

Japanese silks have taken firmer hold of the Indian market than anything else imported from Japan. The trade in matches became extensive very soon after it began, but the matches are not very good though cheap, and the trade does not gain ground. Silks from Japan, however, have extensively superseded other silks in Burma.

The principal exports, and the aggregate value of the export trade, are (Rx):

	Cotton, raw.	Indigo.	Hides and skins.	Rice.	Total value of exports.
1895-96	2,442,435	71,704	43,316	43,000	2,819,383
1896-97	3,760,332	227,565	22,745	13	4,094,214
1897-98	3,256,206	344,443	69,925	438,684	4,173,458
1898-99	4,114,776	332,159	48,309	664,487	5,238,037

This trade, cotton representing four-fifths of its value, has increased about fourfold since 1893-94. The extensive trade in rice in the last two years was due to exceptional reasons, but it is possible that a regular trade in this grain may be established with the increase in Japan of manufacturing industries and population.

Persia.

The principal articles in the import and export trade are (Rx):

Imports.	1896-97.	1897-98.	1898-99.	Exports.	1896-97.	1897-98.	1898-99.
Asafoetida	24,766	32,769	31,004	Cotton twist and yarn—			
Skins, raw	34,998	49,280	51,590	(Foreign)	55,491	80,537	55,428
Pearls	241,290	189,197	167,602	(Indian)	30,455	46,704	45,815
Dates and other fruits	144,487	153,622	148,206	Cotton manufactures—			
Wool	104,299	95,643	74,014	(Foreign)	448,691	445,399	453,510
				(Indian)	41,309	28,255	19,364
				Indigo	67,302	131,682	108,648
				Rice	62,462	106,542	180,585
				Sugar	92,681	57,442	96,706
				Tea (foreign)	192,831	104,782	131,958
				(Indian)	131,854	87,773	168,697

And the aggregate value is (Rx):

	Imports.	Exports.
1894-95	794,677	2,380,076
1895-96	872,798	1,714,438
1896-97	685,983	1,336,011
1897-98	691,912	1,404,111
1898-99	583,953	1,561,982

The imports consist mainly of dates, pearls, and wool; and local conditions on the Gulf littoral were adverse to a large trade in these. The export trade continued its recovery from the depression of 1896-97, but it still left much to be desired, remaining at a relatively low level. There seems to be but small

prospect of a considerable trade in Indian cottons in those regions, for the demand runs on Manchester prints; but there appears to be an outlet for Indian tea, of which $3\frac{1}{2}$ million pounds were exported last year, something over two million pounds of foreign tea being exported at the same time.

Straits Settlements.

The principal articles in the trade and their value are (Rx) :

<i>Imports.</i>	1896-97.	1897-98.	1898-99.	<i>Exports.</i>	1896-97.	1897-98.	1898-99.
Coffee	46,609	47,663	47,096	Cotton, raw	104,173	84,266	93,981
Cotton goods	49,526	51,598	54,810	„ yarn	199,451	179,716	180,072
Camphor	49,721	52,590	41,238	„ goods	206,935	215,948	269,808
Gambier	43,599	51,298	39,411	Opium	1,642,646	1,259,814	1,518,374
Cocoanuts and kernel	58,330	62,544	60,213	Rice	1,490,290	1,330,980	2,048,839
Gum benjamin	32,752	26,631	26,497	Hides and skins	115,756	52,914	42,152
Matches	53,309	72,288	69,083	Gunny-bags	392,101	326,989	461,189
Tip	214,589	215,830	157,381	Provisions	111,254	95,370	120,157
Provisions (largely dried and salted fish)	278,631	337,112	330,390	Rice-bran	111,374	96,690	107,638
Silk, raw	181,620	169,078	175,877				
Spices (largely betelnuts)	359,828	462,168	536,907				
Sugar	76,956	81,652	89,825				

And the aggregate value of the imports and exports (Rx) :

	<i>Imports.</i>	<i>Exports.</i>
1893-94	2,524,623	4,842,139
1894-95	2,103,158	5,628,884
1895-96	2,075,220	6,209,808
1896-97	1,842,122	5,329,790
1897-98	2,409,828	4,562,969
1898-99	2,006,210	5,973,972

The decline in the value of imports is in the main due to a temporary and exceptional condition of things. Ordinarily India sends rice annually to the Straits in very large quantities and receives none, or next to none, from that Colony. In 1897-98, however, the high level of prices in India in the first half of the year made it profitable to exporters of rice from Siam, Cochin-China, and the Eastern Archipelago, to send to India, by way of Singapore, a considerable quantity of rice—amounting to 606,668 cwt. and representing a value of Rx. 369,669. With the fall of prices to their normal level, the continuance of such a trade was impossible, and accordingly the imports of rice from the Straits in 1898-99 represented a value of Rx. 4,000 only. The conditions which made the import of rice from the Straits profitable checked the ordinary course of trade in the other direction and diminished the exportation of rice from India to the Straits, the quantity falling from 6,410,000 cwt. (an unusually large quantity) in 1895-96 to 3,745,000 cwt. in 1896-97, and still further to 3,355,000 in 1897-98. This reversal of the flow of trade, which should have at once been assigned to the Indian famine and consequent high prices, was actually attributed to the effect of the closure of the Indian mints in 1893 and the higher level of exchange in 1897. It is only necessary to say that the exports of rice last year, with the return of an ordinary level of prices, and with a higher level of exchange than in 1897, amounted to over $5\frac{1}{2}$ million cwt., a larger quantity than was ever before exported save in the exceptional year 1895-96, when speculation in the rice trade was rampant.

Turkey.

Two satisfactory features in the trade with Asiatic Turkey are the cessation of the imports of grain and pulse which are only possible when prices in India are excessively high, and the great increase in the exports of Indian tea: these amounted to about 2·6 million pounds.

The aggregate value of the import and export trade is (Rx):

	Imports.	Exports.
1894-95 .	405,619	984,010
1895-96 .	502,249	746,939
1896-97 .	391,603	708,730
1897-98 .	291,286	601,645
1898-99 .	145,478	693,280

Australia.

The trade with the Australian Colonies has been of disappointingly slow development. The principal imports and exports are (Rx):

<i>Imports.</i>	1896-97.	1897-98.	1898-99.	<i>Exports.</i>	1896-97.	1897-98.	1898-99.
Horses . . .	264,940	172,330	253,640	Grain and pulse (chiefly rice)	30,457	16,167	28,697
Coal . . .	66,162	26,253	36,708	Jute goods (gunny-bags and cloth)	657,125	768,059	796,840
Copper . . .	72,125	93,636	...	Castor oil . . .	54,994	80,973	104,637
Provisions . . .	9,930	6,630	6,806	Linseed oil . . .	29,007	27,601	15,462
				Tea . . .	252,238	251,257	211,348

And the aggregate value of the trade (Rx):

	Imports.	Exports.
1894-95 .	243,649	1,330,575
1895-96 .	233,543	1,218,699
1896-97 .	452,676	1,189,624
1897-98 .	334,430	1,237,040
1898-99 .	325,703	1,287,270

There was no demand for Australian copper, the high price of the metal determining dealers to exhaust their stocks before giving new orders.

The exports of Indian tea do not increase, Ceylon tea having prevented it from widening its circle of consumers.

It is interesting to note, at the end of these remarks on the trade of the principal countries with which India has commercial relations, how the course of trade flows in the Indian provinces. Of the trade with Europe much the largest part is carried on by Bengal, while Bombay does a much more extensive Asiatic and African trade than Bengal. Bombay again has very minor trade relations with America and Australia, the trade with those regions centreing largely in Calcutta.

The actual dimensions of the trade of each province with each of these regions in 1898-99 are stated below (millions of Rx):

	Bengal.	Bombay.	Sind.	Madras.	Burma.
With Europe .	52·33	36·70	10·45	11·18	6·99
Africa .	2·52	3·78	1·85	0·43	4·51*
America .	6·51	0·42	0·04	0·64	0·67
Asia .	11·15	19·58	0·56	4·12	5·05
Australia .	1·39	0·11	0·001	0·08	0·04

* This comparatively large sum is the value of rice shipped to Egypt, and may properly be regarded as European trade.

PART VI.

Provincial Trade.

The figures of the trade of each province with foreign countries stand thus (in millions of Rx):

<i>Imported Merchandise.</i>					<i>Exported Merchandise.</i>			
	1895-96.	1896-97.	1897-98.	1898-99.	1895-96.	1896-97.	1897-98.	1898-99.
Bengal	27'19	30'28	28'04	27'95	46'59	45'56	45'13	45'95
Bombay	27'91	26'87	24'62	25'65	37'93	33'16	27'46	34'94
Madras	5'69	5'82	6'40	5'27	12'81	11'83	11'41	11'18
Burma	4'71	4'43	5'57	5'54	10'57	9'38	8'94	11'72
Sind	3'81	4'39	4'63	3'97	6'36	3'98	4'60	8'93

Taking imports and exports of merchandise together, the proportionate share per cent of each province in the whole foreign trade of India stands as follows:

	1895-96.	1896-97.	1897-98.	1898-99.
Bengal	40'19	43'13	43'83	40'81
Bombay	35'87	34'15	31'19	33'46
Madras	10'08	10'04	10'67	9'08
Burma	8'32	7'92	8'78	9'53
Sind	5'54	4'76	5'53	7'12

The following table indicates the nature of the import trade and of the export trade (Indian produce) of each province:

		Bengal.	Bombay.	Madras.	Sind.	Burma.
		Rx.	Rx.	Rx.	Rx.	Rx.
IMPORTS.						
Cotton—						
Twist and yarn	{ 1897-98	910,599	698,137	1,027,642	280,713	575,937
	{ 1898-99	748,470	520,596	714,293	121,247	447,028
Manufactures	{ 1897-98	11,735,267	6,145,329	1,818,296	1,912,919	1,289,983
	{ 1898-99	13,766,088	6,800,431	1,313,671	1,686,889	1,111,007
Kerosene oil	{ 1897-98	1,566,630	1,277,276	272,460	189,968	91,453
	{ 1898-99	1,472,165	1,048,843	276,572	47,578	140,714
Liquors	{ 1897-98	465,025	468,224	202,257	176,577	276,411
	{ 1898-99	483,016	508,950	214,189	169,182	272,183
Metals	{ 1897-98	2,797,006	2,064,165	641,932	269,770	407,375
	{ 1898-99	2,239,561	1,896,090	427,353	243,735	372,507
Sugar	{ 1897-98	1,274,038	2,433,241	8,898	845,324	222,978
	{ 1898-99	1,128,185	2,038,149	12,026	622,522	216,117
Woollen manufactures.	{ 1897-98	417,562	355,362	41,423	57,277	276,803
	{ 1898-99	530,353	490,860	47,397	83,529	371,592
EXPORTS OF INDIAN PRODUCE.						
Coffee	{ 1897-98	53	24,794	1,494,229	24	30
	{ 1898-99	29	10,057	1,738,715	...	1,023
Cotton—						
Raw	{ 1897-98	658,112	6,321,196	852,399	955,641	83,965
	{ 1898-99	676,992	8,144,818	1,305,380	917,859	143,489
Twist and yarn	{ 1897-98	797,312	5,947,783	220,928	94	715
	{ 1898-99	522,083	5,906,968	173,517	...	520
Manufactures	{ 1897-98	22,505	618,512	527,501	15,390	598
	{ 1898-99	33,383	608,755	532,152	10,519	572
Hides and skins—						
Raw	{ 1897-98	4,166,504	13,355	1,994	191,473	120,971
	{ 1898-99	3,822,067	9,753	46,980	139,489	136,795
Dressed	{ 1897-98	5,250	706,920	3,104,108	6,959	...
	{ 1898-99	3,749	681,520	2,592,684	16,182	...
Indigo	{ 1897-98	1,755,104	184,797	1,066,445	51,056	...
	{ 1898-99	1,870,553	114,722	934,266	50,937	...

		Bengal.	Bombay.	Madras.	Sind.	Burma.
		Rx.	Rx.	Rx.	Rx.	Rx.
Jute—						
Raw	{ 1897-98 1898-99	10,129,616 6,937,427	139 37	236 3,781	... ...	... ...
Manufactures	{ 1897-98 1898-99	5,889,047 5,759,188	39,247 36,335	466 370	2,007 2,333	89 133
Opium	{ 1897-98 1898-99	3,893,956 4,318,148	2,203,607 2,807,861	... ...	... ...	... ...
Rice, husked	{ 1897-98 1898-99	2,996,174 4,676,499	408,936 611,789	1,207,247 683,226	65,804 144,306	6,908,867 9,567,825
Seeds	{ 1897-98 1898-99	2,964,179 4,114,756	4,671,395 5,864,868	360,706 409,028	595,684 1,455,451	2,136 3,091
Tea	{ 1897-98 1898-99	7,659,160 7,570,062	119,154 192,524	247,578 257,172	31,973 23,876	758 1,170
Teakwood	{ 1897-98 1898-99	13,515 22,031	11,876 17,513	2,106 2,766	... 2,873	927,155 909,619
Wheat	{ 1897-98 1898-99	37,151 1,620,015	212,409 3,399,587	298 39	1,091,284 4,706,047	9 ...
Wool—						
Raw	{ 1897-98 1898-99	93,096 72,711	733,272 672,603	4,809 7,108	525,360 561,061	... ...
Manufactures	{ 1897-98 1898-99	108,853 91,844	77,695 103,764	32,935 31,213	4,416 2,464	... ...

The bulk of the trade (including treasure) and shipping of India with foreign countries is confined to the five principal ports, and their proportionate share (per cent) is :

	Trade.			Shipping.		
	1896-97.	1897-98.	1898-99.	1896-97.	1897-98.	1898-99.
Calcutta	39.68	39.32	37.41	22.63	27.78	24.51
Bombay	38.69	38.17	39.1	30.67	27.64	29.95
Rangoon	5.82	6.37	6.83	11.26	11.63	12.61
Madras	5.4	5.28	4.27	8.96	7.81	6.04
Karachi	4.52	4.95	6.38	6.86	6.43	9.16
TOTAL	94.11	94.09	93.99	80.38	80.66	82.27

The actual value of the foreign trade of these ports in merchandise only, imports and exports (including re-exports); was (in millions of Rx) :

	1895-96.	1896-97.	1897-98.	1898-99.
Calcutta	72.32	74.76	71.99	72.83
Bombay	65.80	60.02	52.06	60.58
Rangoon	12.30	11.14	12.19	14.04
Madras	10.73	10.26	10.16	8.62
Karachi	10.17	8.37	9.23	12.96

PART VII.

Customs Revenue.

The principal change made in the tariff was the imposition, from the 20th March 1899, of duties (additional to the general rate of 5 per cent) to counter-vail the bounties on the exportation of sugar granted by Continental countries. These duties did not apply to sugar for which bills of lading had been given at the port of shipment before the 20th March, and therefore did not affect the trade until the end of the year, though prices rose immediately proportionately to the duties.

Certain industries were added during the year to the list of those the machinery required for which may be admitted free of duty; and after the close of the year the limitation of exemption to machinery required for specified industries was removed, all machinery being now exempt.

The gross revenue from imports, salt excluded, was :

	Rx.
1895-96 . .	3,978,645
1896-97 . .	3,578,863
1897-98 . .	3,746,910
1898-99 . .	3,603,953

The net revenue last year, after deduction of refunds and drawbacks, was Rx. 3,540,370.

The revenue obtained from the articles which are subject to special rates of import duty was (Rx) :

	1895-96.	1896-97.	1897-98.	1898-99.
Arms and ammunition	33,868	37,215	35,727	34,736
Malt-liquor	19,047	18,813	17,702	20,301
Cider and other fermented liquor	186	154	178	186
Spirit	590,899	591,039	599,269	628,462
Liqueurs	7,690	8,005	6,818	8,149
Wines	44,660	41,152	37,350	38,173
Opium	405	347	442	303
Petroleum	400,002	412,618	531,778	469,675
Salted fish	13,366	13,543	16,920	15,565
Total gross revenue	1,110,123	1,122,886	1,246,184	1,215,550

All other dutiable imports are taxed at 5 per cent, except cotton goods which are taxed at $3\frac{1}{2}$ per cent, and most classes of iron and steel at 1 per cent. The principal items are stated below :

Articles of Food and Drink (other than liquors), (Rx) :

	1895-96.	1896-97.	1897-98.	1898-99.
Sugar	153,095	162,152	246,045	213,222
Provisions	54,672	48,897	50,559	47,906
Fruits and vegetables	35,566	28,840	34,737	26,450
Spices	35,258	32,209	38,564	46,390
Tea	25,143	26,997	10,344	9,987

Chemicals, Drugs, Narcotics, and Dyes (Rx. 107,373) :

	1895-96.	1896-97.	1897-98.	1898-99.
Drugs, medicines, narcotics	35,101	33,659	37,313	36,931
Chemical products and preparations	27,197	22,857	27,522	26,535
Dyes and tans	39,811	35,253	40,331	43,907

Metals and articles made of metal.—In this group about two-thirds of the revenue are obtained from silver :

	1895-96.	1896-97.	1897-98.	1898-99.
Hardware and cutlery	74,548	79,105	74,987	73,234
Copper and brass	105,969	55,207	73,505	59,354
Iron	29,341	28,431	29,759	25,195
Lead	1,737	1,601	1,307	1,480
Silver	355,868	326,483	433,889	286,760
Steel	10,484	9,724	11,527	10,602
Tin	18,300	13,174	11,742	7,947
Zinc	6,618	3,573	4,918	5,389

Oils (petroleum excepted), Rx. 16,271.

Manufactures of cotton, total Rx. 846,341 :

	1895-96.	1896-97.	1897-98.	1898-99.
Piece-goods : grey (unbleached), mostly shirtings, chádars, dhutis, sáris, and scarves	598,962	503,257	450,193	461,019
Piece-goods : white (bleached)	214,716	200,546	187,099	172,757
„ coloured, printed, or dyed	231,189	196,985	142,885	194,096
Handkerchiefs and shawls in the piece	9,159	3,807	2,336	2,902
Hosiery and other manufactures	12,554	13,220	13,207	15,567

Of the other articles enumerated in the tariff schedules, the revenue from those specified below averages Rx. 10,000 and upwards (Rx) :—

	1895-96.	1896-97.	1897-98.	1898-99.
Apparel	72,411	71,262	55,155	63,925
Building and engineering materials	9,980	8,347	10,065	10,035
Carriages, carts, and other conveyances	5,610	12,251	15,480	17,147
Earthenware and porcelain	11,688	10,257	10,041	8,982
Glass and glassware	36,974	35,269	28,826	33,085
Gums and resins	11,709	9,699	10,708	10,054
Instruments, apparatus, and appliances	17,211	17,027	16,196	17,861
Ivory and ivoryware	15,627	10,819	11,564	11,403
Leather and articles made of leather (mainly boots and shoes, harness and saddlery)	15,629	14,542	12,443	13,455
Matches	18,130	14,282	20,871	18,906
Paints, colours, painters' materials, and compositions for application to leather, wood, and metals	20,923	19,242	18,771	18,873
Paper and pasteboard	25,404	23,364	20,874	22,748
Silk and articles made of silk	146,375	113,480	95,671	109,137
Stationery	14,575	14,436	12,064	12,833
Umbrellas	17,103	15,301	16,774	12,053
Wood and timber, and articles made of wood	14,670	11,634	10,932	8,912
Woollen goods	72,988	84,360	57,926	76,634
Articles imported by post	14,251	14,026	13,880	16,242

The export tariff schedule is limited to rice and rice-flour, a duty of three annas (three-sixteenths of a rupee) being levied on each maund of 82 $\frac{2}{7}$ lbs. The gross and net duty realised in the last five years have been (Rx) :

	Gross.	Net.
• 1894-95	903,488	887,977
• 1895-96	929,224	912,985
• 1896-97	752,560	734,662
• 1897-98	723,731	708,212
• 1898-99	1,006,651	982,476

PART VIII.

Balance of Trade.

The figures appended state the excess of exports over imports, including merchandise and treasure, in each year of the last decennial period (Rx) :

	Including Government transactions.	Excluding Government transactions.
1889-90 .	18,709,700	21,219,400
1890-91 .	8,440,700	11,253,200
1891-92 .	27,305,200	29,869,100
1892-93 .	30,279,300	33,850,100
1893-94 .	15,120,900	18,090,100
1894-95 .	34,029,600	37,246,600
1895-96 .	32,289,800	35,820,100
1896-97 .	19,719,600	23,971,100
1897-98 .	10,603,800	14,928,500
1898-99 .	30,214,000	33,865,400

The excess last year was large, but it was equalled once, and materially exceeded twice, in the period.

In the same series of years the drawings of Council bills have been as follows :

	£	Exchange, Pence.	Rx.
1889-90 .	15,474,496	16.566	= 22,418,700
1890-91 .	15,969,034	18.089	= 21,186,900
1891-92 .	16,093,854	16.733	= 23,082,800
1892-93 .	16,532,215	14.984	= 26,478,400
1893-94 .	9,530,235	14.546	= 15,723,600
1894-95 .	16,905,102	13.1	= 30,069,900
1895-96 .	17,664,492	13.638	= 31,085,500
1896-97 .	15,526,547	14.45	= 25,787,000
1897-98 .	9,566,077	15.402	= 14,812,800
1898-99 .	18,692,377	15.978	= 28,076,400

Gold and Silver Coin and Bullion.

The imports and exports are as follow (Rx) :

Gold—

	Imports.	Exports.	Net imports.
1889-90 .	5,071,000	455,700	4,615,300
1890-91 .	6,500,800	864,700	5,636,200
1891-92 .	4,118,900	1,705,100	2,413,800
1892-93 .	1,781,800	4,594,500	—2,812,700 (net exports).
1893-94 .	3,146,500	2,505,300	641,200
1894-95 .	1,756,300	6,730,400	—4,974,100 (net exports).
1895-96 .	5,029,300	2,503,300	2,526,000
1896-97 .	4,491,200	2,200,100	2,291,100
1897-98 .	7,281,200	2,372,700	4,908,500
1898-99 .	8,840,000	2,336,600	6,503,400

Silver—

	Imports.	Exports.	Net imports.
1889-90 .	12,388,500	1,450,600	10,937,900
1890-91 .	15,433,600	1,258,500	14,175,100
1891-92 .	10,603,700	1,581,500	9,022,200
1892-93 .	15,228,000	2,364,400	12,863,600
1893-94 .	15,314,700	1,594,900	13,719,800
1894-95 .	7,824,900	1,495,700	6,329,200
1895-96 .	8,338,700	1,756,500	6,582,200
1896-97 .	8,593,400	2,737,400	5,856,000
1897-98 .	13,249,400	4,775,900	8,473,500
1898-99 .	9,055,600	5,074,800	3,980,800

Of the gold imported but little less than half—representing a value of just over three millions of Rx—was tendered to Government at the rate of 1s. 4d. to the rupee; most of the gold so tendered and accepted being in the form of sovereigns. At the present moment (end of August) the value of the gold, coined and uncoined, so held by Government amounts to $2\frac{3}{4}$ millions sterling.

Of the exports of gold a considerable proportion represents the metal from the Indian mines, and the statement below would give a more correct view of the situation than the account of imports and exports given above :

	Rx.
Imported	8,840,000
Produced	2,411,000
Total	12,251,000
Exported	2,336,600
Balance kept in India . .	8,914,400

In silver the trade is practically confined to the importation of bar silver, the importation and exportation of Government rupees, and the exportation of British dollars.

Bar silver does not again leave the country except in the most trifling quantity; it is for the most part manufactured into ornaments, or coined in the mints of the Native States into their local coin, or coined in the Bombay mint into British dollars. The dollars are forthwith exported for circulation in Hongkong, the Straits Settlements, and wherever else in the Far East the people may be induced to take them instead of the Mexican dollar and the Japanese yen.

The rupees of the Government flow in and out steadily between India and the countries where the rupee is the standard and current coin, Ceylon and Mauritius being the principal, though the rupee circulates all over the littoral of the Indian Ocean eastward of the Straits, and the shores of the Persian Gulf. The exports to these regions greatly exceed the imports from them.

The statement appended contains the actual value (in Rx) of the imports and exports of the principal descriptions of silver :

<i>Imports.</i>	1895-96.	1896-97.	1897-98.	1898-99.
Bars	7,474,972	7,489,503	11,957,907	7,637,846
Other uncoined silver . . .	...	9,548	94,587	224,663
Rupees	743,601	1,020,138	1,104,827	475,800
British dollars	120,143	74,195	92,074	717,249
Other coin				
<i>Exports.</i>				
Bars	35,766	13,580	47,381	4,553
Other uncoined silver . . .				
Rupees	1,095,850	1,614,621	1,537,987	2,017,377
British dollars	603,483	1,088,833	3,173,655	3,042,575
Other coin	21,395	20,321	16,891	10,270

It is but a very small proportion of the silver imported which goes into the mints of the Native States for coinage, as will be apparent from the comparative figures of quantity (ounces) below:

Net imports.			Passed into the native mints.		
1891-92	.	32,348,438	1891	.	4,147,266
1892-93	.	45,523,512	1892	.	5,817,070
1893-94	.	54,328,973	1893	.	7,476,500
1894-95	.	27,040,022	1894	.	3,297,435
1895-96	.	27,018,079	1895	.	4,115,926
1896-97	.	25,929,088	1896	.	4,524,663
1897-98	.	44,284,617	1897	.	2,979,922
1898-99	.	23,165,425	1898	.	1,345,169

The proportion of the imports taken into the native mints last year was under 6 per cent, several of the larger States having closed their mints and two of them having substituted the British rupee for their own coin, while in a third a similar change is in progress. In the whole period from 1891 the imports amounted to 279,638,154 ounces, and the quantity taken to the Native mints was 33,703,951 ounces, being 12 per cent of the net imports.

The figures and facts do not support the statements which have been freely made that the coin of Native States was displacing the British rupee in the British areas adjacent to the States.

PART IX.

Shipping.

The activity of the export trade demanded a large tonnage, and the tonnage which entered and cleared was greatly in excess of any preceding year. The number of vessels was smaller than it had been for years previously, but they were on the average of very high carrying capacity, much higher than has been hitherto recorded.

Below are given the number and tonnage of steamers and sailing vessels, with cargoes and in ballast, which entered from and cleared to foreign countries :

	No.	Tons.	Average tonnage.
1893-94 . .	9,995	7,665,886	767
1894 95 . .	10,577	8,255,822	780
1895-96 . .	10,297	8,226,600	799
1896-97 . .	9,940	7,698,585	774
1897-98 . .	9,759	7,784,630	798
1898-99 . .	9,086	9,115,646	941

The steamer tonnage was 88·7 per cent of the whole last year. The total number of steamers which entered and cleared was 4,940, with an aggregate burden of 8,090,740 tons, the average tonnage of each steamer being 1,638 tons. About 4·3 per cent of the steamers which cleared left in ballast.

The entries from and clearances to the United Kingdom were 2,424,743 tons, being 26·6 per cent of the total tonnage. Entries from and clearances to British possessions amounted to 3,364,585 tons. The tonnage from and to the United Kingdom and British possessions amounted therefore to 63·5 per cent of the whole.

The vessels which enter and leave the ports of India for the most part fly the British flag, the tonnage of vessels sailing under that flag representing 81·9 per cent of the whole. Adding the proportion of the tonnage of vessels under the British Indian registry, which was 2·4 per cent of the whole, it appears that between 84 and 85 per cent of the trade of India is carried under the British flag.

The number of vessels under foreign flags, which entered and left Indian ports last year, was 1,165, their burden aggregating 1,297,604 tons. The number of vessels flying the principal flags were :

	1895-96	1896-97.	1897-98.	1898-99.
German . .	270	236	244	229
French . .	132	116	97	151
Austrian . .	14	112	124	113
Norwegian . .	88	80	117	94
Italian . .	59	54	53	58

Native craft are slowly but surely disappearing from the face of the Indian seas, as the figures below indicate :

	No	Tons.
1893-94 . .	2,956	158,673
1894 95 . .	2,985	156,788
1895-96 . .	3,004	156,805
1896-97 . .	3,090	154,320
1897-98 . .	2,751	150,691
1898-99 . .	2,302	133,033

Vessels of this class are but seldom replaced now when they are stranded or founder or fall to pieces. Indeed India is not a shipbuilding country and the industry is conducted on the smallest basis. Last year six steamers were built, aggregate tonnage 498, that is, an average of 83 tons each, and 61 sailing vessels of an aggregate tonnage of 2,911, that is, 48 tons each. This outcome of the industry was slightly above the average.

PART X.

Frontier Trade.

• With the recurrence of improved material conditions in India and the pacification of the north-western frontier, there was a sensible increase in the trade as indicated by the figures below, which represent trade in gold and silver as well as in merchandise (Rx):

	Imports.	Exports.	Total.
1893-94 . .	4,351,251	3,698,321	8,049,572
1894-95 . .	4,931,538	4,254,198	9,185,736
1895-96 . .	4,974,286	4,230,297	9,204,583
1896-97 . .	5,637,527	4,937,071	10,574,598
1897-98 . .	5,634,601	4,931,697	10,566,298
1898-99 . .	6,092,943	5,289,725	11,382,668

The record of gold and silver is, however, necessarily so fragmentary that, in considering the geographical distribution of the trade, it will be convenient to notice only the figures which relate to merchandise. These are entered below, the countries being arranged geographically, proceeding from west to east along the line of frontier:

		1896-97.	1897-98.	1898-99.
		Rx.	Rx.	Rx.
N.-W. Frontier	Las Bela . . .	99,863	137,954	87,297
	Khelat . . .	107,873	128,500	120,501
	Kandahar . . .	645,781	473,084	593,801
	Zhob and Loralai . .	69,514	58,005	66,743
	Kabul . . .	441,701	403,748	511,840
	Tirah . . .	29,053	23,191	36,574
	Bajaur . . .	844,335	570,922	736,447
	Kashmir . . .	1,357,712	1,334,697	1,559,416
	Ladakh . . .	115,253	93,386	115,702
	Thibet . . .	195,849	215,726	301,269
N. and N.-E. Frontier	Nepal . . .	2,894,150	3,405,598	3,635,537
	Sikkim . . .	114,911	84,635	97,911
	Bhutan . . .	31,172	30,549	34,070
	Hill Tipperah . .	61,217	57,222	59,024
E. Frontier	Western China . .	329,805	267,906	283,479
	Siam . . .	73,078	143,781	82,863
	North Shan States .	394,003	483,778	566,331
	South Shan States .	654,407	689,020	694,850
	Karenni . . .	208,754	172,028	200,857
	Zimmé . . .	237,643	298,661	290,908

North-Western Frontier.

About 37 per cent of the whole frontier trade crossed this frontier last year. The principal countries with which trade is conducted are Kandahar, Kabul, Bajaur, and Kashmir.

Kandahar and Kabul.

With both regions trade recovered in the year from the depression incidental to the plague in Sind as well as the military operations on the frontier, the

reopening of the Khyber Pass having given an outlet for quantities of articles from Kabul which had been unable to reach India while the pass was closed. But a permanent discouragement to trade exists in both countries in the fiscal restrictions of the Amir. Until these are removed, free communication allowed, and fair roads constructed free from marauders, it is hopeless to expect the development of trade relations. The value of these in the last six years is (Rx):

	Kandahar.		Kabul.	
	Imports.	Exports.	Imports.	Exports.
1893-94 . .	335,849	328,172	188,831	405,215
1894-95 . .	299,090	309,762	160,400	267,365
1895-96 . .	410,541	257,002	165,003	306,233
1896-97 . .	418,405	227,376	151,538	290,163
1897-98 . .	309,299	163,785	129,110	274,638
1898-99 . .	329,917	263,884	217,235	294,605

These figures give a very clear indication of the stagnation which has overcome the trade. But so much has been written on the subject, in separate reports, as well as in these annual reviews, that no useful purpose would be served by repeating an oft-told tale and specifying the directions in which the trade has been contracted. Let it suffice to direct attention to the decline in the exports of tea to Kabul as stated below. For this, however, compensation has been found in the augmentation of exports oversea to the regions which were formerly supplied overland through Kabul, and the injury is only to the Amir's revenue and to his subjects engaged in the trade:

	Foreign Tea.		Indian Tea.	
		lbs.		lbs.
1892-93 . .		879,536		375,536
1893-94 . .		597,968		152,880
1894-95 . .		388,864		150,528
1895-96 . .		155,792		175,280
1896-97 . .		284,032		193,872
1897-98 . .		144,816		45,248
1898-99 . .		284,368		69,216

Bajaur.

This trade recovered completely from the set-back of the military operations on the frontier, and it may perhaps rise to the exceptionally high level of 1896-97 during the present year, unless the reduction of the garrison in Chitral should affect the exports from India. The figures of the trade are (Rx):

	Imports.	Exports.
1894-95 . .	191,836	277,221
1895-96 . .	132,910	221,201
1896-97 . .	382,877	461,458
1897-98 . .	247,894	323,028
1898-99 . .	310,072	426,375

Kashmir.

The value of the imports and exports of merchandise is (Rx):

	Imports.	Exports.
1893-94 . .	422,888	528,708
1894-95 . .	513,555	612,941
1895-96 . .	636,388	640,618
1896-97 . .	722,282	635,430
1897-98 . .	769,871	564,826
1898-99 . .	836,171	723,245

The increase in the year is in some degree apparent not real, owing to the inclusion of the railborne trade between Sialkot and Jamu which had unaccountably not been registered before.

In existing circumstances this State is erroneously classed as a trans-frontier State, for the occupation of Chitral and Gilgit by British garrisons has moved the frontier of British India further to the north, and the State of Kashmir should properly be regarded as being in the condition of one of the mediatised States within India and the trade with it should be treated as internal, not trans-frontier, trade. But it continues to be the main highroad to Ladakh, which is a junction for trade between India and Western Thibet on the one hand and Yarkand and Kashgar on the other. Some convenience therefore is served by maintaining the record of trade with Kashmir. At the same time it must be said that by far the largest part of the trade is between Kashmir and India, comparatively little being trade which goes to or comes from the regions north of Kashmir; and a very great proportion of the almost phenomenal increase in the trade is due to recent modifications in the conditions which formerly kept Kashmir almost as a sealed book to people on the southern incline of the mountains which divide the valley from the plains of the Panjab. The vicious system of Government which ground the faces of the people has been swept away, and a new system introduced based on Indian principles of administration and organised by Anglo-Indian officials; the railway line from Sialkot and Jamu has linked that part of the Maharaja's territories to British India, the post office and telegraph are united with the Indian system; the local currency has been replaced by the currency of British India; the financial and fiscal arrangements have been reorganised; a cart-road has been carried into the valley from Rawalpindi to Srinagar, and a length of two hundred miles which formerly was laboriously traversed in three weeks is now a comfortable drive of three days; and finally the restrictions on the entrance into the valley of European visitors have been removed. The valley in the summer now swarms in every part with European visitors seeking health and relaxation, and they bring with them considerable sums to be spent in the valley, besides requiring the importation from India of comforts and necessities. One result of all this administrative and economic revolution is to be found in the augmentation of trade, others are to be found in the prosperity and contentment of the people.

The principal articles in the trade, and their values (in Rx) in 1898-99, are:

<i>Imports.</i>		<i>Exports.</i>	
Timber	276,793	Cotton yarn and cloth	351,947
Ghi	198,298	Sugar	70,881
Woollens (<i>pashmina</i> and <i>pattu</i>)	100,112	Salt	70,936
Drugs, including <i>charas</i>	55,082	Metals	39,320
Fruits and nuts . .	51,382	Tea	19,109
Hides and skins . .	38,138		
Grain and pulse . .	27,669		

Northern and North-Eastern Frontier.

Thibet.

There was a quite noticeable increase in the trade with this country, but it continues to be on the most trifling scale, and is likely to remain so while present conditions continue. Whether the country is capable of carrying on an extensive trade—say a trade equal in dimensions to our present trade with Nepal or

Kashmir—may admit of doubt; but in any case, if the capacity of the country is to be tested, two things are necessary: fair trade roads must be made into the heart of Thibet and the monopolies of the Lamas must cease. The figures of the trade are (Rx):

	Imports.	Exports.
1893-94 .	124,616	60,720
1894-95 .	145,256	65,245
1895-96 .	127,185	68,326
1896-97 .	140,456	55,393
1897-98 .	123,149	92,577
1898-99 .	168,479	132,790

Nepal.

The limitations to trade with Nepal are great: the Indian roads end at the frontier and there degenerate into tracks; the Nepalese administration do not permit Indians to enter the country to trade, or Nepalese to establish themselves in India for trade purposes, and all business has to be done at marts established on the frontier; there is no postal union, the currency is entirely local, and the contingency is always present that the Administration will prohibit exports of food-grains if prices mount to a profitable level for the cultivator and an annoying level for the consumer. But a large part of the trade is carried on, not with the valley of Nepal, but with the Terai skirting the mountains and with only an artificial boundary separating it from British territory. From this tract comes the rice which bulks so largely in the trade with Nepal. In the face of all drawbacks, however, the trade with Nepal increases, as the figures of value (Rx) testify:

	Imports.	Exports.
1894-95 .	1,716,653	1,231,238
1895-96 .	1,765,341	1,272,134
1896-97 .	1,489,483	1,404,667
1897-98 .	1,914,194	1,491,404
1898-99 .	2,067,223	1,568,314

The principal articles of the trade are these:

	1895-96.	1896-97.	1897-98.	1898-99.
<i>Imports—</i>				
Horses, cattle, sheep and goats .	140,612	115,232	130,509	219,356
Hides and skins	52,380	62,815	111,234	81,601
Drugs, non-intoxicating	66,588	44,712	41,993	53,844
Rice, husked and unhusked	635,624	428,590	731,319	804,285
Other food-grains	179,540	156,204	186,755	212,733
Ghi	75,544	59,669	92,704	106,231
Provisions	82,962	58,455	41,428	42,371
Linseed "	117,100	124,954	89,779	138,988
Mustard, rape, and other oilseeds .	88,242	107,546	141,134	155,305
Spices	57,426	52,250	47,210	47,646
Tobacco	52,965	56,818	98,892	38,593
Timber	81,361	68,546	48,318	37,121
<i>Exports—</i>				
Cotton yarn	95,606	107,561	136,367	194,058
" piece-goods	448,145	486,892	482,237	555,656
Metals	98,495	101,820	117,063	99,699
Provisions	129,147	108,734	79,534	85,244
Salt	93,469	114,574	146,362	131,940
Spices	103,031	119,306	125,460	123,011
Sugar	54,789	62,257	50,575	61,953
Tobacco	42,173	55,619	103,101	73,771
Petroleum	27,779	47,104	80,393	49,938

Eastern Frontier.

Western China.

The development of the trade with this region continues disappointingly slow, but it must be noted that the registration is extremely imperfect. Such as the figures are, they indicate the trade with Western China to have been (Rx) :

	Imports.	Exports.
1893-94 .	137,216	134,156
1894-95 .	115,506	200,745
1895-96 .	86,907	138,072
1896-97 .	99,591	230,214
1897-98 .	64,435	203,471
1898-99 .	91,492	191,987

It is to be hoped that the extension of railway to the Kunlon ferry may improve the conditions.

With *Siam* the trade is unimportant, the routes being difficult and not free from risk, while the populous part of the country is in the south where trade is carried on over the waterways and the ocean with Singapore.

Our trade with the other regions on this frontier, namely, the *Shan States*, *Karenni*, and *Zimmé*, is as follows (Rx) :

Northern Shan States.

	Imports.	Exports.
1894-95 .	216,965	185,721
1895-96 .	180,799	169,216
1896-97 .	189,024	204,979
1897-98 .	273,619	210,159
1898-99 .	336,681	229,650

Southern Shan States.

1894-95 .	164,090	216,501
1895-96 .	168,642	255,426
1896-97 .	318,156	336,251
1897-98 .	324,364	364,656
1898-99 .	310,879	383,971

Karenni.

1894-95 .	233,868	9,850
1895-96 .	206,687	28,757
1896-97 .	192,632	16,122
1897-98 .	153,543	18,485
1898-99 .	185,880	14,977

Zimmé.

1894-95 .	203,321	25,222
1895-96 .	182,999	25,611
1896-97 .	180,752	56,891
1897-98 .	235,581	63,080
1898-99 .	203,715	87,193

Teakwood logs are the most important constituent of the imports from these regions.

The whole trade of Burma carried on across the frontier was slightly over two millions of Rx last year, so far as it was registered; but it is reasonably certain that it was really not much, if at all, less than double that sum.

General.

The general character of the trade carried on across the Indian frontiers from west to east will be understood by an inspection of the appended list in which are entered the principal articles imported and exported, and their value last year (in Rx):

<i>Imports.</i>	<i>Exports.</i>
Animals, living:	Animals, living 79,910
Horses, ponies, mules . . . 57,996	Cotton, raw 116,150
Cattle 279,142	Cotton yarn:
Other kinds 162,763	European 316,472
Borax 19,580	Indian 159,681
Drugs and medicines, including charas 191,541	Cotton goods:
Dyes 31,132	European 1,327,176
Fruits, vegetables, and nuts . . 268,145	Indian 406,049
Grain and pulse (largely rice) . . 1,266,496	Dyes:
Hides, skins, and horns . . . 181,135	Indigo 46,142
Seeds:	Other kinds 32,504
Oilseeds (chiefly linseed and rapeseed) 346,024	Grain and pulse 104,203
Provisions:	Metals, mainly brass, copper, and iron 214,415
Ghi 483,091	Oils: Petroleum 80,390
Other kinds 270,907	Provisions 224,710
Silk, raw 61,462	Salt 317,662
Spices 80,249	Silk goods 136,839
Tobacco 54,490	Spices 196,579
Wood and timber, chiefly teak . . 821,608	Sugar 197,150
Wool, raw 328,109	Tea:
Woollen goods 123,141	Indian 34,999
	Foreign 56,376
	Tobacco 122,896
	Woollen goods 64,094

PART XI.

Coasting Trade.

The total trade, imports and exports, merchandise and treasure, was (Rx):

1894-95	.	70,317,044
1895-96	.	74,604,838
1896-97	.	68,195,363
1897-98	.	75,818,856
1898-99	.	68,701,876

Taking the export value as representing the actual value, the trade of the last five years is stated in the figures appended, which do not include the exports of Government stores or treasure (Rx) :—

		Indian Merchandise.	Foreign Merchandise.	Treasure.
1894-95	.	25,027,220	7,541,147	2,113,256
1895-96	.	26,229,816	7,849,728	1,787,685
1896-97	.	25,215,226	6,688,431	1,896,640
1897-98	.	29,150,764	7,113,212	2,214,259
1898-99	.	24,761,313	6,677,507	1,681,862

There was a decline in merchandise (Indian) of Rx 4,389,000, of which Rx 3,811,000 represent a decline in the trade in grain and pulse which was abnormally high as long as prices in India continued at or about famine level. With the descent of prices the rice of Burma was once again shipped to foreign countries from which it had been diverted from the autumn of 1896. The decline in the trade in treasure was largely a consequence of the fall in prices of rice.

The exportations of rice from Burma to other parts of India are as follow (in million cwt.):

1893-94	.	7.10
1894-95	.	5.48
1895-96	.	2.80
1896-97	.	6.78
1897-98	.	12.29
1898-99	.	6.96

The principal articles in the trade are mentioned in the list below in the order of their importance, with their values, that is, the value of the imports into British Indian ports (in Rx):

Indian Merchandise.

	1896-97.	1897-98.	1898-99.
1. Grain and pulse	6,535,547	9,767,670	5,956,984
2. Cotton, raw	3,445,032	2,141,075	3,432,030
3. Cotton manufactures, including twist and yarn	2,640,737	2,670,751	2,907,078
4. Spices	1,156,058	1,298,944	1,598,719
5. Jute manufactures	1,527,196	1,766,671	1,411,009
6. Coal	612,762	1,019,790	1,209,354
7. Teak timber	1,032,943	987,470	1,091,728
8. Oils	905,323	881,023	1,087,823
9. Provisions	742,586	815,774	984,906
10. Salt	1,014,830	1,043,488	971,569
11. Seeds	959,108	898,988	953,413
12. Cocoanuts and kernel	743,913	802,724	846,979
13. Tobacco	629,098	665,314	650,252
14. Sugar	514,467	427,454	526,380
15. Spirit	428,438	459,308	507,562
16. Hides and skins	521,083	506,022	467,096
17. Jute, raw	540,216	554,106	414,743
18. Timber and wood, other than teak	352,249	351,972	384,714
19. Coffee	207,813	191,592	294,387
20. Tea	168,192	137,726	218,220

Coasting Shipping.

The number and registered tonnage of the vessels engaged in the coasting trade is (ooo omitted in tonnage):—

Entered.

				STEAMERS.		SAILING	VESSELS. NATIVE		CRAFT.
				No.	Tons.	No.	Tons.	No.	Tons.
1893-94	.	.	.	9,224	9,974	2,695	239	153,348	2,574
1894-95	.	.	.	9,673	10,204	2,919	200	150,728	2,547
1895-96	.	.	.	9,829	10,581	3,396	219	159,755	2,728
1896-97	.	.	.	9,755	10,168	3,048	169	138,575	2,388
1897-98	.	.	.	9,200	9,810	3,083	162	132,031	2,269
1898-99	.	.	.	9,232	10,303	3,162	141	144,234	2,376

Cleared.

1893-94	.	.	.	9,238	9,996	2,675	223	143,503	2,547
1894-95	.	.	.	9,697	10,243	2,788	200	144,289	2,544
1895-96	.	.	.	9,772	10,480	3,461	211	151,073	2,665
1896-97	.	.	.	9,812	10,248	3,119	173	129,085	2,318
1897-98	.	.	.	9,219	9,796	3,209	178	123,043	2,211
1898-99	.	.	.	9,271	10,445	3,241	150	132,354	2,319

As in the foreign so in the coasting trade, sailing vessels are gradually but surely leaving the seas to steamers, the tonnage of the latter amounting to 80·6 per cent of the total tonnage engaged in the coasting trade.

SIMLA

September 3, 1899

J. E. O'CONOR

EAST INDIA (TRADE).

REVIEW

OF THE

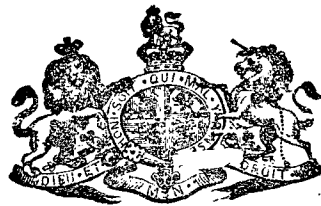
TRADE OF INDIA

IN

1900-01.

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Presented to both Houses of Parliament by Command of His Majesty.



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THE TRADE OF BRITISH INDIA

WITH FOREIGN COUNTRIES

for the official year ending March 31, 1901

General Summary

The famine which affected the second half of the year 1899-1900 continued through the first half of 1900-01, and left its mark upon the trade of the year. The monsoon was not unfavourable on the whole, although in Western India it was not as good as it might have been, and the recovery from the effects of famine in that region was neither swift nor complete. For the first six months of the year trade was depressed, and its revival after September was not sufficiently vigorous to efface the traces of famine which were so apparent in the earlier part of the year. Prices of wheat and rice continued on a very high level, and the price of cotton was in effect prohibitive of the continuance of spinning in the face of a market for yarn depressed by excessive stocks in China which could not easily have been worked off even in a normal time and quickly accumulated after the outbreak of trouble and the armed intervention of the Great Powers in Northern China. The continued presence of plague in India in epidemic form also operated in embarrassment and hindrance of trade. The depression of the cotton spinning industry of Western India was accompanied by an acute crisis in the tea trade, mainly located in Eastern India, the outcome of very similar causes, for in both cases the producers threw most of their production into one large market, in both cases they increased production in an excessive degree under the stimulus of reasons not based exclusively on the relative positions of demand and supply, and in both cases the producers were overtaken by a fall in prices which wiped out all profits and left shareholders to face heavy losses. The indigo industry also continued to be seriously disturbed by the heavy fall in prices following on the competition of the dye manufactured synthetically in the German workshops. The sugar industry suffered from the scarcity of the raw material which was the outcome of a bad crop and the consequent increase of prices and competition of foreign sugar. The coffee industry suffered from a combination of limited crops and still more limited prices. All manufacturing industry was affected more or less by the high price of coal, although this brought its own compensation in the increased production and consumption of Indian coal. The agricultural conditions of the country were such as to reduce materially the exports of food-grains, cotton, and oilseeds, the most important staples in our export trade, although in the case of cotton some compensation was obtained by the unusually high range of prices. The exports of some other articles also declined more or less heavily, cotton yarn and Madras indigo for instance, while some articles in which there was an expanded trade left little profit, such as tea and Bihar indigo.

There were some compensations on the credit side of the account, in opium, jute and the manufactures of jute, and also in hides and skins, but this last item must in a large degree be regarded merely as salvage from the melancholy wreck of the famine. The larger importations of food-grains too are no cause for satisfaction from the point of view of Indian trade, though it is satisfactory to be able to point to the fact that when food was wanted for the people it was imported for them from overseas to the full extent of the demands of the market.

Nevertheless, bearing in mind all the influences tending to depression, it is almost a matter of surprise that the value of trade in the year exceeded, on the import side of the account, the trade of either of the two preceding years, the year immediately preceding being one of considerable imports, while on the export side of the account the trade, though smaller than that of either of the two preceding years, was much larger than in any previous year. The fact has indeed been regarded with astonishment, and the explanation has been asked for. It is not difficult to give the answer. In the accounts of the first half of the year the trade, both imports and exports, was restricted, but in the second half there was a great recovery. The monsoon was not good in some parts of India, but it was quite favourable in Burma and over a vast region in Northern India. The good harvests reaped were sold at a high level of prices, so that while the cultivators in the famine-stricken area were struggling with adversity the cultivators elsewhere were being borne on a tide of prosperity. They were able consequently to buy imported goods in rather larger quantity than usual, and thus more than compensated by their increased consumption for the restricted consumption in the affected tracts. It was fortunate too that the course of trade was not harassed or impeded by any of those violent disturbances in the currency and in the money market which have often before aggravated the evils of a bad commercial year in India and lessened the benefits of a good year. As in 1899-1900, so last year, the bank rate in Calcutta did not rise above 8 per cent. It did not rise to 7 per cent until the 20th December, and the 8 per cent rate lasted only from the 7th February to the end of the official year. The course of exchange also remained quite steady, the maximum being $1s\ 4\frac{1}{8}d$ and the minimum $1s\ 3\frac{3}{4}d$, the difference being only 1·4 per cent; in the previous year the difference was 2·6 per cent; and in the year before 3·3 per cent. The course of trade was facilitated not merely by the actual steadiness of exchange but more particularly by the confidence of the mercantile community that it would continue to remain steady.

The actual value (rupees) of the trade of the year is subjoined, with the values of the preceding four years for comparison :

	1896-97	1897-98	1898-99	1899-1900	1900-01
<i>Imports—</i>					
Merchandise	71,79,38,293	69,26,66,625	68,38,03,412	70,71,18,634	76,27,78,853
Gold	4,49,11,790	7,28,12,221	8,84,00,542	11,44,78,674	11,87,13,827
Silver	8,58,41,738	13,19,50,644	9,04,39,025	9,51,06,458	4,59,22,253
Total Imports	<u>84,86,91,821</u>	<u>89,74,29,490</u>	<u>86,26,42,979</u>	<u>91,67,03,766</u>	<u>92,74,14,933</u>
<i>Exports—</i>					
Foreign merchandise re-exported	4,03,36,372	3,75,11,720	3,37,11,965	3,29,24,912	3,20,83,314
Indian merchandise	99,88,06,600	93,78,61,010	109,35,02,765	105,68,36,961	104,20,53,484
Gold	2,20,01,407	2,37,27,326	2,33,66,460	2,00,81,962	4,30,58,851
Silver	2,72,57,498	4,76,14,364	5,07,15,347	5,94,18,443	3,16,85,700
Total Exports	<u>108,84,01,877</u>	<u>104,67,14,420</u>	<u>120,12,96,537</u>	<u>116,92,62,278</u>	<u>114,88,83,349</u>

The influence of the drought and famine upon the trade of the year is strongly indicated by the provincial distribution of the export trade. From Bombay the exports of Indian merchandise declined in value by almost 11 per cent, although the values of cotton ruled unusually high. In Bombay, moreover, the depression of trade arising out of the famine was aggravated by the crisis in the cotton spinning industry resulting from the paralysis in the China market and the high price of Indian cotton following a bad crop. The exports from Karáchi also which are largely dependent on the harvests of the Panjab, were only half their value in the preceding year. In Burma there was a small decline, which arose out of the transfer to the consumer in the famine-stricken districts of Western India of rice which in an ordinary year would have found its market in Europe. The export trade of Madras was hardly affected at all, and that of Bengal largely increased.

Turning to the imports of merchandise, which, as stated above, were for all India on an unusually large scale of value, we find that practically all the increase was in Bengal, Madras, and Burma; and that if Bombay and Karáchi maintained the level of the preceding year it was mainly because of large imports of sugar in the second half of the year from Mauritius and Europe, needed because the people were then recovering from the pinch of the season of distress and the market was bare of Indian sugar.

Imports of Merchandise

The value of the imports of merchandise exceeded that of the preceding year by close on 8 per cent, an excess which was in part due to the high range of prices current in the year, though it was also in part due to an expansion in the volume of trade, that is, in the quantities of the articles imported. In writing of the trade of 1899-1900 reference was made to the high range of prices as indicated by the index number of the principal articles forming the staples of the import trade. With the exception of iron and steel, these prices rose still further in the year, markedly so in the case of cotton cloth and yarn which form approximately two-fifths of the import trade, while the fall in iron was small enough to maintain the price well above the level of the years preceding last year. The figures below state the fluctuations in January of the last six years in the prices of staple imports, on the basis of the price in 1873 being represented by 100 :

	1896	1897	1898	1899	1900	1901
Grey cotton shirtings . . .	69	70	64	62	84	88
Grey cotton yarn . . .	77	66	61	57	64	77
Copper, sheathing . . .	85	85	90	87	111	113
Iron, flat, bolt, etc. . .	111	110	111	111	124	119
TOTAL . . .	342	331	326	317	383	397

This is an increase of 19.9 per cent since 1897 in the general level of prices of articles imported into India, and of 25.7 per cent in the important item of cotton goods.

The value of imported merchandise since 1869-70, stated in the average of six quinquennial periods, is as follows :

	£
Five years ending 1873-74	31,83,76,000
" 1878-79	36,60,34,000
" 1883-84	47,95,00,000
" 1888-89	58,51,54,000
" 1893-94	67,74,89,000
" 1898-99	69,78,49,000
" 1899-1900	70,71,18,634
1900-01	76,27,78,853

The value of the trade in each of the classes under which articles are grouped in the accounts was, in R :

	1898-99	1899-1900	1900-01
<i>Animals, living (mostly horses)</i>	32,93,059	30,34,933	48,73,197
<i>Articles of food and drink</i>	9,18,95,561	9,23,67,801	12,07,25,412
<i>Metals and manufactures of metal, hardware and cutlery, machinery and millwork, railway plant and rolling-stock</i>	12,49,01,150	11,59,00,285	11,87,16,379
<i>Chemicals, drugs, medicines, and narcotics, and dyeing and tanning materials</i>	2,01,34,120	1,93,14,865	2,22,56,241
<i>Oils</i>	3,55,20,050	3,42,61,722	3,75,70,198
<i>Raw materials and manufactured articles</i>	2,97,18,759	3,68,95,579	3,70,75,368
<i>Articles manufactured and partly manufactured</i>	37,83,40,713	40,53,43,449	42,15,62,058

In each of these groups there was an increase, more or less, in the value of the trade, and an examination of the items composing the groups shows that in only two cases was there any important set back to the usual course of trade. The principal items were those mentioned below, the percentage of increase or decrease in their values being set against each :

	1899-1900		1900-01	
	Increase	Decrease	Increase	Decrease
Apparel	6'1	...	5'1	...
Coal	16'3	...	...	62'1
Cotton goods	8'2	...	1'3	...
Drugs, medicines, and narcotics	3'3	...	19	...
Dyeing and tanning materials	...	17'2	5'1	...
Glass and glassware	15'8	...	...	1'5
Liquors	...	3	1'2	...
Machinery and millwork	...	16'8	...	11'2
Metals	...	5'1	31'9	...
Oils	...	3'5	9'6	...
Provisions	10'2	...	17	...
Railway material	...	1'7	...	51'7
Salt	...	7'4	...	7'5
Silk, raw and manufactured	...	21	57'2	...
Sugar	...	15'9	67'5	...
Woollen goods	15'4	...	20'2	...

From these it appears that only in coal, railway material, and machinery and millwork was there any appreciable decline in trade, but it was important in the case of the first two. It should be noted too that the small increase in the value of cotton goods represented a higher price for the goods, not a larger quantity.

In the following paragraphs are noted the most important or interesting fluctuations in the principal items composing each group :

ANIMALS, LIVING

The military authorities found it expedient, partly owing to the circumstances of the year and partly owing to the recurring difficulty of obtaining suitable horses for the army, to offer higher prices to importers from Australia. The terms were sufficiently good to impart an active stimulus to the trade, and an unusually large number of horses (8,340) were imported from Australia.

ARTICLES OF FOOD AND DRINK

Grain and pulse.—Relatively large as were the imports in 1898-99, they were much exceeded last year, when the quantity imported approximated to 98,000 tons. In the two famine years of 1896-97 and 1897-98 the imports reached about 54,000 tons each year; then the imports in the following year (1898-99) resumed their normal dimensions, being under 3,000 tons; in the last two years they rose again to a level much exceeding that of the preceding famine years, amounting to 75,478 tons in 1899-1900 and to 97,755 tons last year,

this quantity representing a value of 96 lakhs of rupees. It is comparatively a small quantity, only a trifling fraction of the requirements of the distressed tracts being drawn from places outside India.

Liquors.—The imports of malt liquor for the last three years have varied but little, approximating each year to about $3\frac{1}{4}$ million gallons. The production of Indian beer does not increase; last year it was particularly low, probably in consequence of the absence of about a seventh of the European garrison in South Africa.

Spirits also have been imported in the same period in very slightly varying quantity, about $1\frac{1}{4}$ million gallons, whisky representing more than half of the potable descriptions of spirit.

The imports of wines are also not progressive; these indeed manifest a distinctly retrogressive character not observable in either spirits or beer.

Provisions.—This is a trade of some importance, its value having reached 197 $\frac{1}{2}$ lakhs of rupees, a material increase on former values. Ghee (clarified butter) is now becoming a prominent item, unless the trade should resume its former rather narrow channels when the ordinary conditions of cattle-keeping and pasturage are restored in Western India. It is to the drought that is to be ascribed the increase in the value of this trade to about 10 $\frac{3}{4}$ lakhs, which is three times the average of preceding years. The importations of dates also have risen to a level which prompts the inquiry where the consumers are to be found in India who pay as much as 42 lakhs in the year for this fruit.

Salt.—Importations, which are mainly made into Bengal (Calcutta and Chittagong) and Burma, do not indicate a tendency to increase. Other provinces consume Indian salt of which nearly three tons are produced for every ton imported. The extension of cheap internal communications by railroad, with the reduction of transport charges by the management of the railways, has a gradual effect, though so slow as to be hardly perceptible, in widening the area of consumption of Indian salt and restricting the area of consumption of imported salt. Thus, the opening of the East Coast railway in Orissa has allowed the salt of Ganjam to displace the indigenous article and to compete with imported salt sent to Orissa from Calcutta. This tendency is favoured when freights to India are not good, for then salt is carried to India from necessity rather than from choice, standing as it does between ballast for which a ship has to pay and the least remunerative cargo. On the other hand Indian production at the sources in Rajputana, whence a large part of Northern India is supplied, is almost as dependent on the seasons as the production of a harvest of grain. In a bad year it is found necessary to restrict the supply and raise the price, and if freights to India happen at the same time to be low and inactive the trade in imported salt does rather well. Imported salt reaches India in largest quantity in a year when there is an active export trade and a consequent demand for freight at good rates. There was no very marked activity last year in Bengal, and in Burma the demand for rice ships was not active. The quantity of salt imported was much smaller than that of the three preceding years, stocks in store being drawn upon for the deficiency. Only 347,788 tons were imported, value Rs 56.6 lakhs, a small trade but important to the revenue, for the duty on this importation (if it was all paid in the year of import) would amount to about 222 lakhs, four times the value. Hence the attention generally given in a paper on Indian trade to a trade which in itself is of no special importance.

Sugar.—So much interest has been excited by the development of the imports of beet-sugar from bounty-giving countries, and such varying opinions have been expressed as to the effect of the countervailing duties imposed in March 1899, that no apology is needed for inserting here the figures of the trade for the last eight years, the first of the series being the year in which beet-sugar began to appear in India. The figures are below (cwt):

	1893-94	1894-95	1895-96	1896-97	1897-98	1898-99	1899-1900	1900-01
Mauritius	1,361,649	1,753,003	1,571,993	1,666,845	1,778,016	2,104,111	1,773,346	2,489,526
Austria-Hungary . . .	11,549	7,093	4,934	115,514	945,787	1,063,737	777,821	1,321,311
Germany	189,301	274,632	718,218	758,806	1,203,309	413,971	60,526	401,993
China	351,294	220,511	206,049	139,310	291,175	185,682	317,003	487,457
Java	99,976	140,030	109,998	97,458	140,485	162,500	258,188	200,247
Straits	86,873	81,497	108,045	63,497	74,912	77,207	80,666	148,253
TOTAL (ALL COUNTRIES) .	2,127,905	2,490,611	2,730,963	2,861,400	4,608,630	4,077,499	3,360,862	5,276,790
VALUE, R (000 omitted)	2,82,42	2,87,53	3,10,68	3,15,18	4,78,45	4,01,70	3,37,66	5,65,52

The importations of cane-sugar and of beet-sugar were (cwt):

	<i>Cane</i>	<i>Beet</i>
1896-97	1,795,870	886,593
1897-98	2,029,330	2,206,064
1898-99	2,238,620	1,526,290
1899-1900	2,063,477	872,515
1900-01	3,024,074	1,817,590

In this division sugar from the United Kingdom has been taken to be half cane and half beet, its origin not being known; but, considering the rapid progress made in the importation of sugar from the United Kingdom, it is probable that it is all beet whose importation from that country has enabled it hitherto to escape the levy of the countervailing duties. If this is correct the total quantity of beet-sugar imported last year was close on 1,900,000 cwt.

The countervailing duties have not had the effect of preventing importations from the bounty-giving countries. It appears that a material proportion of the sugar imported from Germany is made in Bohemia and shipped from Hamburg, and it will therefore be convenient to look at German and Austro-Hungarian sugar together. The imports of these sugars in 1898-99, just before the imposition of the duties, were about 1,478,000 cwt, following on an exceptional importation of 2,149,000 cwt. Such large imports in two successive years, when these sugars were still hardly known beyond the ports into which they were imported, filled the limited market and heavy stocks remained unsold in the hands of dealers when the duties were imposed. The imposition was accompanied or followed by a rise of price in India and in Europe, for the beet crop was not turning out well, the cane crop in Mauritius was not good, and exports from Cuba were greatly restricted. In these circumstances it was more profitable for dealers to sell their stocks than to order more at the high prices to which sugar had suddenly risen. Consequently the importations fell heavily to about 838,000 cwt. The importations from Mauritius also declined very largely because the crop in the island was limited and the people of Western India, who are almost the exclusive consumers of Mauritius sugar, in India, were not in a position to indulge in the article at the high prices prevailing. On the eastern coast of India imports did not decline, the people being in better consuming condition, but in those parts of India the importation of sugar is relatively small and the consumption not general as in Bombay. The

temporary restriction of trade which, for these reasons, followed the imposition of the duties, did not continue after the stores of the dealers had passed into the hands of the consumers, and, with the restoration of improved agricultural conditions in the second half of the year, there was such a revival of activity in the trade that the importations of German and Austro-Hungarian sugar amounted to 1,723,304 cwt. Placing the figures together the fluctuations will be more easily perceptible :

1897-98	.	.	.	.	.	.	2,149,096
1898-99	.	.	.	.	.	.	1,477,708
1899-1900	.	.	.	.	.	.	838,347
1900-01	.	.	.	.	.	.	1,723,304

There seems to be sufficient reason for the conclusion that India needs a considerable quantity of sugar of a description which cannot be locally produced for sale at the same price in the economic conditions existing in India having reference to the capital and skill essential for such production ; and that some of the imported sugar must be derived from beet-growing countries in competition with cane-growing countries. In the present year the trade still continues with great activity. It will be interesting now to observe the future developments of this trade, to note whether it will go on increasing, displacing, as it does now, an equivalent quantity of unrefined or imperfectly refined sugar, the production of the country, which the people are discarding in favour of the cleaner and more attractive imported sugar ; or whether the stimulus of competition will be felt, and capitalists, seeing that there is a wide and growing market for refined sugar in India, will undertake to make it of as good quality as the imported sugar and at the same or lower prices. There is a great field for this enterprise if it is undertaken with the aid of the capital and skill which in these days are indispensable for the profitable manufacture of sugar. Whether made in India or imported, it is tolerably clear that refined sugar will, swiftly rather than gradually, displace the raw sugar hitherto consumed by the people because they could get nothing else, and that it will, encouraged by cheap railway transit, penetrate to all parts of India, superseding the production of the crude and wasteful refineries now worked in hundreds of places in every cane-growing province.

The course of prices of sugar before and since the imposition of the countervailing duties is stated below :

				<i>R a. p.</i>
1898 (March to end of December)	.	.	.	7 10 8 per maund
1899 (January to May)	.	.	.	7 8 0 „
„ (June to December)	.	.	.	8 6 10 „
1900 (January to December)	.	.	.	8 12 8 „
1901 (January to June)	.	.	.	8 5 11 „

From this it appears that prices since May 1899 (when the duties were imposed) have been nearly a rupee more per maund (=R1-5-9 per cwt) than before. At the present moment, the third week of June, the price has declined to R8-0-6 per maund, which is about 11½ annas per cwt higher than the price before the imposition of the duties, the incidence of which on German beet-sugar is R1½ per cwt. This is the course of prices for German beet, but the prices of all other kinds of sugar, native and imported, have also risen in the same or a larger degree. The rise of price was certainly influenced by the dearth of sugar following the injury to the crop caused by a bad season and the rise of prices in other parts of the world to which reference has already been made ; but the sugar from the last Indian crop, which was a good one, has

been on the market for some months, and prices still keep relatively high. If any encouragement has been given by the countervailing duties to the industry of the Indian producer and refiner, as they claim, it does not result from the withdrawal of the competing sugar from the market, and the encouragement can only have been derived from the increased price charged by the producer and refiner to the consumer.

A singular feature in the import trade is the importation of molasses from Mauritius in very large quantity, exceeding 20,000 tons last year, chiefly for use in the manufacture of the compost of tobacco smoked in the native *hukka*. This is a trade of recent origin, and it is surprising to learn that it can be profitably carried on in a country where sugar is so extensively manufactured and where there must be a practically unlimited quantity of molasses available for the market.

For the first time the accounts of trade exhibit, as well as the trade in molasses, the trade in confectionery, the value of which exceeded nine lakhs. This confectionery must be largely made of beet-sugar, but it is impossible to distinguish, and therefore it escapes the countervailing duty.

Tea.—The trade was much larger than last year, but it was very far below the level of the years before the adoption of measures by the Russians to prevent tea from India penetrating into Russian Turkistan through Persia. The recovery in the trade was largely due to an active importation of Ceylon tea, some of which is consumed in Western India where it can be landed from Colombo at a lower cost than tea from Calcutta or the Madras coast, while some of it is shipped to Persia from Bombay. The imports of Ceylon tea amounted to $1\frac{1}{2}$ million pounds last year, and Indian producers may find material for thought in the fact, for that $1\frac{1}{2}$ million pounds is consumed in India and in Persia, both of them markets that ought to be exclusively occupied by Indian tea. It is possible that the recent action of the Persian Government, in abolishing all inland customs and restricting the levy of duty on imports to the 5 per cent charged at the port of entry, may have a useful effect in increasing the consumption of Indian tea in Persia, whether imported by sea or from Quetta into Seistan.

METALS AND MANUFACTURES OF METALS

Hardware and Cutlery.—

	1899-1900 ₹	1900-or ₹
Cutlery	9,71,700	9,64,948
Agricultural implements	7,22,156	8,37,520
Other implements and tools	11,88,273	11,77,439
Sewing machines	5,53,888	6,19,725
Unspecified hardware	1,24,66,904	1,48,15,107
TOTAL	1,59,02,921	1,84,14,739

In these articles the trade has increased considerably, but some of the apparent increase is due rather to higher prices than to augmented importations. The market, it should be noted, is being supplied more and more largely with hardware of continental manufacture,* German, Austro-Hungarian, and Belgian. Importations from Austria-Hungary have more than doubled in three years, and from Germany they have increased 75 per cent. The importations from these three countries now represent 26 per cent of the whole trade compared with 22 per cent in 1899-1900, and 19 per cent the year

before that, while the importations from the United Kingdom have fallen from 75 to 70 per cent of the whole. The demand in the Indian market is for the cheapest and commonest kinds of hardware, and the continental manufacturer is readier to make such things than the English manufacturer who objects to "rubbish" and therefore finds that there is but little room for an expanding trade in a market which calls for rubbish. The better kinds of goods classed under the head of Hardware and Cutlery all come from the United Kingdom still; but, while there has been an increase in the value of the trade of 41 lakhs in three years, only 17 lakhs of the increase are to be found in the imports from the United Kingdom.

In *Metals* the limited trade of the famine year was followed by an expansion last year. In *Copper* there was a reaction from the phenomenally low level to which the trade had sunk, but the importations were not half the average of ordinary years, and (as in 1899-1900) there was an abnormally large exportation of copper. Both facts testified to the continuance of distress in India, as well as to the discouragement of importation and the stimulus to exportation given in a time of distress by the high range of prices for this metal which has now prevailed for a considerable period.

In *Iron* and *Steel* also there was a recovery from the depression which marked the preceding year, and in the case of steel the recovery was complete. Galvanised and tinned sheets form a material proportion of the iron imported, the former for purposes of construction, the latter for manufacture into vessels of various sorts, the demand having greatly increased for the purpose of making cans to hold the petroleum now so largely imported in bulk for transport into the interior. In these forms of iron the United Kingdom so far takes the lead, and the trade in them increased satisfactorily. In other kinds, however, the Belgian share of the trade increased while that of the United Kingdom declined: these are angle, bolt, and rod, bar-iron, and sheets (of black iron, not galvanised or tinned).

Tin recovered from the depths to which the trade fell in 1899-1900, but the importations were far below the ordinary average.

Lead for tea chests, the principal description of this metal which enters the Indian market, was also more largely imported.

The value of all these metals was about ₹643 lakhs; in the preceding year it was only ₹468 lakhs, an increase of 37 per cent; but this large value was partly due to the continuance of a high level of prices for all metals.

While there was a resumption of some activity in the demand for metals, the depression of the cotton manufacturing industry, as well as of the tea industry, is reflected in the continuance of the decline in the imports of *machinery* and *millwork*. The value of the trade in the last five years, as stated below, is sufficiently eloquent evidence of the industrial depression which existed:

						₹ lakhs
1896-97	.	.	.	.	.	350.92
1897-98	.	.	.	.	.	285.78
1898-99	.	.	.	.	.	305.59
1899-1900	.	.	.	.	.	254.19
1900-01	.	.	.	.	.	225.76

Having regard to the higher prices which prevailed for all metal work, the depression was really greater than appears from these figures. The restriction of the trade was confined exclusively to Western India, the imports

into other provinces having increased. In Bengal the decrease in machinery imported for tea estates was concealed by an expansion of the jute manufacturing industry. Imports into Burma increased very largely, the development of the petroleum industry there having added to the requirements of the rice and timber mills. In Madras also both cotton mills and gold mines need the importation of machinery on a fairly large scale.

In *Railway material* also there was an important decline which was due to the inability to obtain the articles ordered rather than to any abatement of the progress of construction. The importations for Government and for railway companies in the last three years have been as follows (R) :

	For Government	For Companies
1898-99 . . .	2,05,10,501	2,82,48,146
1899-1900 . . .	2,52,63,267	2,77,70,780
1900-01 . . .	2,55,54,467	1,34,11,195

The increasing preponderance of imports for the Government is explained by the fact that the State owned 19,197 miles of the 25,035 miles open at the end of the year 1900-01.

The difficulty of obtaining material from English workshops is illustrated by the fact that about 3,220 tons of rails were imported from the United States.

CHEMICALS, DRUGS, MEDICINES, NARCOTICS, DYEING AND TANNING MATERIALS

There was a large expansion in chemicals and in drugs, prominent under the latter head being *tobacco*, which represents more than a third of the whole imports. This trade attained a value of 38 lakhs in the year, an unusually high figure. Formerly the importations were for the use of the European (and Europeanised) population exclusively, but this is no longer the case, some sections of natives in the larger towns having taken to the habit of cigarette smoking in supersession of *hukka* smoking. The value of cigarettes was about 45 per cent of the whole value of imported tobacco, and it seems probable that it must continue to increase unless indeed local manufacture is established to compete with the imported article. As imported cigarettes were represented by a value last year of 17 lakhs, of which perhaps half may be assigned to the native consumption of common cigarettes, it would seem that there is a fair prospect for cigar manufacturers in India to enter upon this enterprise.

In *mineral dyes* there was a further contraction following on a decline in the preceding year. These dyes are imported to the extent of nine-tenths into Western India, and the restricted trade is one of the other illustrations which abound of the reduced purchasing power of the community during the famine and the industrial depression.

OILS

There was a recovery in the quantity imported, but the trade was well below the level of that of 1898-99, its limitation being due to the further shrinkage of the imports of oil from the United States. A few years ago the imports of American oil approximated to 25 million gallons annually on an average ; in 1898-99 the imports were 21 million gallons, in 1899-1900 only 12½ millions, and last year they were reduced to 5,102,000 gallons. Russian oil has occupied and extended the field abandoned by American oil, importations having risen rapidly until last year they reached 67,350,000 gallons. The

transference of the trade from the United States to Russia means merely a question of relative price. As long as kerosene oil was almost exclusively used in India by the European population and by the wealthier classes of natives in the towns, American oil had the preference, since it was of better quality and the difference in price was not to the consumer so material a consideration as the difference in quality. When kerosene oil reached the native consumer of the lower classes the case was different, for he was content with an inferior quality at a lower price. The importer next cheapened the oil still further by importing it in bulk in tank vessels and saving the cost and freight of the cans of tinned iron and the outer casing of wood in which the American oil is packed. As a consequence the American oil has almost retired from the competition, and as a considerable proportion of the Europeans who formerly used it have adopted gas or electricity instead, there seems to be but little prospect of the revival of the trade.

The production of mineral oil in Burma continues to expand, the output in 1900 having amounted to about 37 million gallons.

RAW MATERIALS

Coal.—There was a notable reduction in importations, the trade falling (including coke and patent fuel) to the low level of 127,318 tons. Imported coal is chiefly used in Bombay, but during the depression of the cotton manufacturing industry the demand abated, especially during the currency of the extremely high prices which prevailed last year for English coal. This range of prices greatly stimulated the production and consumption of Indian coal, as will be seen on reference to the section of this paper in which the export trade is discussed. With the recent lowering of prices and the resumption of active work in the Bombay mills, the imports of coal are again increasing, but this trade will doubtless grow smaller as the years go by.

Cotton.—The importation of long-stapled cotton, suited for the spinning of the finer yarns, has continued, and it is interesting to note here the progress of the movement for the spinning of such yarns to which reference was made in last year's issue of this review. The figures are as follow of non-Asiatic cotton imported and the finer counts of yarn spun in the Indian mills:

				Imports of long-stapled cotton Cwt	Yarn spun of No. 31 and upwards lb
1896-97	.	.	.	36,239	5,501,723
1897-98	.	.	.	29,837	5,884,313
1898-99	.	.	.	35,833	5,823,000
1899-1900 ^a	.	.	.	161,151	7,906,074
1900-01	.	.	.	173,338	13,626,143

The expansion last year, in face of a high range of prices for the raw material and a heavy reduction in spinning generally, seems to indicate an appreciable transference of spinning to the production of counts hitherto exclusively imported; and the transference becomes still more significant when it is observed that the greatest expansion is in counts of No. 41 and upwards. Now that this class of spinning has practically passed out of the tentative and experimental stage the question may expediently be considered whether India cannot produce cotton fit to use for spinning the finer counts. The public-spirited experiments made by Mr. J. N. Tata for the acclimatisation of Egyptian cotton do not seem, unfortunately, to have resulted in the success that was hoped for; but it may be possible now by selection of seed to improve the varieties of cotton grown

in Western India sufficiently to make one or more descriptions fit for the purpose. A great deal was said a few years ago in denunciation of the mixing of seed by the cultivator and the deterioration of staple which ensued, but the remarks and the remedies proposed were premature and beside the point. The cultivator, being a rational creature, took the line of least resistance, and grew the description of cotton which was in his experience the one that gave him the largest yield at the smallest cost of money and labour, and for which he had the most assured market. It was absurd to expect him to take the risk of growing better descriptions with no certainty that, if he obtained a good outturn, he would find a ready market for the produce at a commensurate price. Indeed, it was certain that there was at that time no local demand for the better descriptions, and also certain therefore that the cultivator would get no more for them than for the cotton he grew without extraordinary risk or unusual expense. No Indian cultivator will undertake experiments, and indeed he cannot afford to do so; but he will grow whatever is wanted for the market as soon as he is satisfied that it can be grown. Now that there is an established market the time has arrived when the industrial community of Bombay, and the State, might unite in undertaking the experimental improvement of the Indian short staples.

Silk is the only other raw material of importance brought to India. This article recovered completely from the depression of the preceding year, the demand for silk, from Bombay mills and from foreign countries, being large in Burma under the pleasant experience of an ample crop of rice sold at high prices.

MANUFACTURED ARTICLES

Cotton yarn.—This trade manifests a strong tendency to decline, as the figures below indicate :

Five years ending 1892-93	.	.	.	.	47'72 million lb
„ 1897-98	.	.	.	.	47'82 „
1898-99	.	.	.	.	45'55 „
1899-1900	.	.	.	.	42'62 „
1900-01	.	.	.	.	34'8 „

The kinds of yarn imported are mainly in the counts from 30 to 40 :

		1899-1900	1900-01
Nos. 1 to 30	.	10,283,000 lb	8,021,527 lb
„ 31 to 40	.	26,360,000 „	20,226,936 „
Above 40	.	4,241,000 „	4,373,812 „

Although the decline is exclusively in the counts which the Indian mills are now spinning, it need not be inferred that the heavy contraction in the imports during the year was caused solely by local competition. It was far more largely due to the operation of a higher range of prices, following the great rise which occurred in Europe in the price of raw cotton, in a market where the consumer's ordinary purchasing power had been greatly impaired by the existence of famine and high prices of food. It is probable that in the present year there will be a reaction, but nevertheless it is clear that the trade is steadily on the wane, and perhaps the time is not far distant when no yarn under No. 30 will be imported, and not half the present average of No. 30 and upwards.

Cotton piece goods.—This is much the most important item in the Indian import trade, and in this class of articles (bleached piece goods excepted) the

trade also seems to be declining, as appears from the figures appended (in millions of yards) :

	Grey (unbleached)	White (bleached)	Coloured, printed, or dyed
Average, 1889-90 to 1893-94	1,223'47	368'62	374'16
Average, 1894-95 to 1898-99	1,209'77	418'58	351'49
1899-1900	1,274'91	444'55	471'88
1900-01	1,192'17	467'48	343'16

As was anticipated in last year's issue of this review, the trade contracted after the active importations of 1899-1900, white (bleached) goods, which are not the kind worn by the masses who are most intimately affected by the failure of crops in India, alone having advanced. The high prices of imported unbleached goods gave room for more active competition on the part of the Indian weaving mills which were exempt from the depression that affected the spinning industry. The figures given above clearly illustrate the non-progressive tendency of this most important trade whose value exceeds 27 crores and constitutes about 36 per cent of the aggregate value of all the merchandise imported last year. In respect of grey (unbleached) goods, which are rather more than half the value of all cotton goods, there can be no doubt that the trade is already in a decline.

The principal varieties of goods under each of the three great classes, and the quantity of each variety imported, are stated below (in millions of yards) :

GREY	1898-99	1899-1900	1900-01	WHITE	1898-99	1899-1900	1900-01	COLOURED	1898-99	1899-1900	1900-01
Jaconets	96'85	84'64	96'7	Jaconets	28'05	22'33	27'08	Jaconets	3'94	6'56	3'86
Mulls	16'76	19'58	29'93	Nainsooks	146'05	160'56	133'27	Prints and chintz	158'11	161'07	109'28
Shirtings	591'64	586'28	539'87	Mulls	84'21	93	117'66	Shirtings	55'56	73'45	51'23
Madapollams . . .	28'71	33'95	25'45	Shirtings	63'97	60'24	87'28	Drills	5'36	6'06	4'75
T-cloths and domestics	16'59	15'31	15'09	Cambrics, twills, mus- lins, and lawns	10'24	10'61	17'01	Cambrics, twills, and muslins	79'28	93'68	53'69
Jeans, sheet- ings, and drills	19'24	19'77	24'81	Chádars, dhutis, sáris, and scarves . . .	45'65	63'54	54'53	Chádars, dhutis, sáris, and scarves	30'28	44'27	48'75
Chádars, dhutis, sáris, and scarves	485'32	512'58	459'32	Drills and jeans	4'29	4'87	6'84				
				Checks, spots, and stripes . . .	10'21	7'2	6'59				

It will be noticed that the limitation of the trade in grey goods applies to shirtings, T-cloths, domestics, chádars, dhutis, and sáris, these being the descriptions most largely made in the Indian mills.

The extent to which the cotton piece goods imported into India are woven in the Lancashire looms is shown in the figures appended (million yards) :

	1899-1900		1900-01	
	Total imports	Imports from England	Total imports	Imports from England
Unbleached goods . .	1,274'91	1,270'47	1,192'17	1,183'28
Bleached "	444'55	438'64	467'48	461'83
Coloured "	471'88	457'28	343'16	327'04

In the case of grey and white goods the English manufacturer has an almost complete monopoly, 99'2 and 98'7 per cent respectively of these two classes having been imported last year from the United Kingdom. In coloured

goods the monopoly is not so complete, importations from the United Kingdom representing only 95·3 per cent of the whole. The small balance consists of French and German prints and chintzes.

The aggregate value of the imports of cotton yarns and woven and other goods in the last five years was (in R):

	Yarns	Woven and other goods	Total	Proportion to total imports of merchandise
1896-97 . . .	3,32,58,708	26,42,42,837	29,75,01,545	41 per cent
1897-98 . . .	3,49,30,384	22,90,17,942	26,39,48,326	38 „ „
1898-99 . . .	2,55,16,342	24,67,80,863	27,22,97,205	40 „ „
1899-1900 . . .	2,45,00,108	27,90,21,151	29,45,21,259	42 „ „
1900-01 . . .	2,48,92,147	27,34,61,274	29,83,53,421	39 „ „

Silk goods.—As in the case of raw silk, there was a substantial recovery from the low level of the preceding year, the recovery being noticeable in the case of piece goods. The trade in these was indeed quite abnormally large, and there can be little doubt that in the present year there will be a set back. The demand was very active in Burma, as stated in a preceding paragraph.

Woollen goods.—The trade has increased largely in recent years, attaining last year to the relatively high level of 211·26 lakhs. Its component parts are stated below:

	1899-1900 R	1900-01 R
Piece goods	1,13,45,210	1,25,77,126
Shawls	33,42,997	51,06,237
Carpets and rugs	8,46,043	10,47,058
Braids	3,76,872	4,50,456

The increase in the import of shawls is very noticeable. These articles when they were first imported were almost limited to Bengali wear, but now they are in common use in Burma also; and the Indian woollen mills might find their advantage in manufacturing this description of garment.

Other manufactured goods.—Of the other articles enumerated in this class the following are the most important:

	1898-99 R	1899-1900 R	1900-01 R
Apparel, including boots and shoes	1,38,04,864	1,46,43,066	1,53,97,776
Arms and ammunition, including dynamite and other explosives	28,90,120	25,31,460	23,45,770
Books and printed matter	21,18,043	22,80,961	22,86,837
Building materials	20,23,335	19,14,452	21,35,379
Carriages and carts	31,73,985	26,48,112	23,51,867
Earthenware and porcelain	18,73,491	19,90,369	20,14,754
Glass and glassware	66,22,934	76,66,515	75,51,762
Instruments and apparatus (scientific)	20,78,308	24,01,273	32,33,729
Matches	37,97,894	34,75,938	39,80,573
Paints and colours and painters' materials	33,40,373	34,71,505	40,39,848
Paper and pasteboard	38,26,571	41,13,201	45,29,996
Stationery	28,99,819	29,37,653	31,68,746
Tea chests	12,62,417	14,74,255	22,70,708
Umbrellas	24,34,380	27,30,307	27,00,332

With but two exceptions, a comparison of the figures of the three years indicates the existence of healthy and progressive conditions. The decline under carts and carriages is due to the arrival of the bicycle business at normal proportions. The decline under arms is a reaction from an exceptionally large importation in the preceding year. Although the trade in matches has so very largely increased, it is unsatisfactory to note that British matches have almost disappeared from the market, the change in the course of trade furnishing one

more illustration of the desire of the native to obtain what he wants at the lowest possible price. British matches are good and Japanese matches are of very inferior quality, but they are very cheap, and as the native is content with a poor quality at a low price they are occupying the markets to the exclusion of the more highly priced British matches and even to the detriment of the cheap Swedish matches. The very large increase in the importation of tea chests is noticeable; formerly these were all made *in loco*.

The principal imports are here stated in the order of their value in the trade of last year (millions of R) :

	1899-1900	1900-01
Cotton goods and yarn	294.5	298.3
Metals, including hardware and cutlery	62.7	82.7
Sugar	33.8	56.5
Oils, chiefly mineral	34.3	37.6
Silk, raw and manufactured	17.1	26.8
Machinery and millwork	25.4	22.6
Chemicals, drugs, medicines, narcotics, and dyes	19.3	22.2
Woollen goods	17.6	21.1

Considering that India produces sugar on the most extensive scale and has the capacity for enormous expansion of the production, the prominent place occupied by sugar in the foregoing list of imports merits careful attention.

General distribution of the import trade.—The value of the imports of foreign merchandise in the last three years was thus distributed among the principal countries with which the trade is carried on :

	Percentage of whole trade		
	1898-99	1899-1900	1900-01
United Kingdom	68.8	68.9	63.8
Austria-Hungary	3.5	3.4	4.1
Russia	3	3.4	3.7
Germany	2.5	2.4	3.4
China	2.5	2.2	3.3
Belgium	3.3	2.6	3.2
Mauritius	2.9	2.3	3.2
Straits Settlements	2.9	2.7	3
United States	2	1.7	1.6
France	1.5	1.4	1.4

Exports

The exports of *foreign merchandise*, that is, the re-export trade, has again declined. The importance of this trade has steadily dwindled year by year for the last seven years :

1894-95	5,05,74,144
1895-96	4,71,75,159
1896-97	4,03,36,372
1897-98	3,75,11,720
1898-99	3,37,11,965
1899-1900	3,29,24,912
1900-01	3,20,85,314

The decline last year would have been larger but for the sharp increase in value of Manchester cottons, which constitute about 38 per cent of the trade; but the decline in the quantity exported of these goods was much greater than the fall in value. The reasons for the contraction of this trade have been stated before, but as they are more or less of an abiding nature, it may be well to repeat them as stated in last year's issue of this review. They are these : The trade is very largely an interchange of goods between Europe on the one

hand and the east African and Persian littoral on the other, Bombay and Karáchi being the emporia for the trade. During recent years direct communication has been developed between Europe and those regions, and the tendency to cease the indirect trade *viâ* the ports on the west coast of India has become more and more marked. This tendency has been accentuated by the hold which epidemic plague has kept on both ports, and a further factor in the decline of the trade is to be found in the direct transport to the Persian Gulf and to the Black Sea of China and Ceylon tea by Russian vessels subsidised for the purpose. The trade in Manchester goods will probably continue more or less as at present, unless the consumption of these goods in the regions supplied from Bombay should be interfered with by direct importations of other European cottons, in Persia, for instance, by Russian prints.

If the order of the Persian Government issued in April of the present year for the abolition of inland custom houses is loyally carried out, the freedom from interference after goods have left the port of entry should have a stimulating effect on the import trade of that country, and in some degree revive the trade from Bombay. But even already there is some reason to doubt whether the excellent orders of the Shah will be loyally carried into effect. 'Twas ever thus—in Asiatic countries.

The decline in the exports of *Indian merchandise*, which marked the year 1899-1900, was followed by a further though much smaller decline last year, due to the same causes, which have been stated in the introductory pages of this review. The progress of the trade in the last twenty years is indicated by the figures of the quinquennial periods given below:

	R
Average, 1880-81 to 1884-85 . . .	79,44,52,789
„ 1885-86 to 1889-90 . . .	88,75,15,074
„ 1890-91 to 1894-95 . . .	101,43,43,860
„ 1895-96 to 1899-1900 . . .	103,64,92,715
1900-01 . . .	104,20,53,484

The principal articles in the trade are enumerated in the appended list, and their values (in R):

	1898-99	1899-1900	1900-01
Grain and pulse	27,19,75,674	18,09,82,330	14,03,13,382
Hides and skins	7,44,92,185	10,46,28,753	11,48,26,371
Jute, raw	6,94,12,452	8,07,16,465	10,86,77,562
Cotton, raw	11,18,85,385	9,92,50,646	10,12,74,007
Tea	8,04,48,038	9,09,21,120	9,55,09,301
Opium	7,12,60,093	8,20,37,148	9,45,54,357
Seeds	11,84,71,942	10,09,95,284	9,01,40,351
Jute manufactures	5,79,83,595	6,26,43,495	7,86,46,012
Cotton yarn and cloth	7,78,84,697	8,27,41,246	5,70,29,566
Indigo	2,97,04,781	2,69,25,107	2,13,59,808
Coffee	1,74,98,242	1,48,47,146	1,22,84,498
Wood and timber	1,08,57,055	1,08,69,202	1,07,06,089

It will be observed at once that drought and famine were the cause of a proportion of the restricted trade, at least five hundred lakhs of the decline being set against grain and pulse and oilseeds. To that same cause, on the other hand, is due the set off against hides. But the decline in cotton yarn, indigo, and coffee, must be assigned to specific causes affecting those articles specially. There were, however, compensations in the better business done in some other articles, so that on the whole the actual decline does not reach

quite $1\frac{1}{2}$ crores, being about 1·4 per cent. But small as was the decline it followed on a year of restricted trade, and on the whole the conditions were unsatisfactory.

Taking prices in 1873 to represent 100, the variations in the last six years are set out below, the prices being for January in each year:

	1896	1897	1898	1899	1900	1901
Cotton	94	76	68	59	84	88
Cotton yarn, No. 20	74	72	63	52	61	69
Rice	151	204	185	153	150	171
Wheat	81	152	99	79	115	86
Opium	100	83	80	86	99	100
Indigo	105	84	76	57	74	65
Jute	175	203	156	170	194	186
Gunny bags	108	99	85	87	117	105
Linseed	113	101	94	95	123	161
Tea	84	64	61	58	64	45
TOTAL	1,085	1,138	967	896	1,081	1,076

The fall in the prices of tea and indigo since 1896 is noticeable.

Classifying the items as they are classified in the accounts of trade, it will be seen from the figures of the more important groups specified below, that the only class in which the value of the trade did not increase is the class of articles of food and drink:

	1898-99	1899-1900	1900-01
	₹	₹	₹
Articles of food and drink	38,57,67,285	30,37,78,416	26,30,45,344
Chemicals, drugs, medicines, narcotics, and dyeing and tanning materials	11,33,39,260	12,36,20,111	12,88,83,296
Raw materials and unmanufactured articles	39,14,39,977	40,88,55,807	42,71,60,535
Articles manufactured and partly manufactured	19,19,84,095	20,77,47,320	20,94,81,243

ARTICLES OF FOOD AND DRINK

Coffee.—The exports have been:

	Cwt	₹
1898-99	270,056	1,74,98,242
1899-1900	281,353	1,48,47,146
1900-01	246,431	1,22,84,498

The season of 1899, whose production was mainly exported last year, was not favourable to the production of coffee, and both the area and yield were restricted. According to the statistics obtained from planters (which, however, are singularly imperfect) the crop of 1900, though better than that of 1899, was also much below the level of preceding years; the exports therefore are not likely in the present year to increase materially. Unfortunately the competition of Brazilian coffee is so active that no compensation is obtained in an increase of prices for a diminution in quantity. Indeed the price of 47s per cwt for East India plantation coffee, which was the average of 1900, is much the lowest on record, the price of 65s 2½d, which was the average of 1899, being the nearest approach to it. Prices have fallen by more than 50 per cent since 1897, and there does not appear at present to be any reasonable hope of recovery. In these circumstances, if the French Government act on the power they say they will exercise of raising the duty on Indian coffee as against

Brazilian coffee, the results to the industry must be viewed with some apprehension, for Indian coffee cannot compete with Brazilian when weighted with the differential rate of duty, and the French now take about a third of all the coffee exported from India.

Rice.—In ordinary years an export trade exceeding 35 million cwt may be confidently expected, but the trade is subject to great disturbance when the seasons in India are bad. In Burma, whence are shipped two-thirds of the exports, the monsoon rains never fail, and the rice harvest is year by year very much what it is expected to be. But a failure of the monsoon in India at once creates a demand for rice from Burma at prices to which the range of prices in foreign markets does not correspond, a fact which proves that the proposition that India has a monopoly in the rice trade has no foundation. As has often been pointed out in these annual reviews, Indian rice has to compete not only with rice from other countries, but also with the other substances which are commonly used for the distillation of spirit and the manufacture of starch—maize and potatoes amongst other things. A high level of prices in India does not then mean a correspondingly high level in the external markets, as it should do if the trade were the monopoly it has been claimed to be, and in such circumstances the rice which would in an ordinary year be exported to foreign countries is deflected to the Indian markets. In the years 1896-97 and 1897-98 the export trade was comparatively low, and so it has been in the last two years, for the reason in both cases that a considerable quantity of the rice grown in Burma for the foreign market was diverted instead to the famine-stricken tracts. In those two years $1\frac{3}{4}$ million tons of rice were shipped from Burma to Indian ports. The Madras rice harvest was also bad, and the exports thence were consequently on a very reduced scale.

The exports are stated below, in cwt (000 omitted):

	<i>From Burma</i>	<i>From Bengal</i>	<i>From other Provinces</i>	<i>Total</i>	<i>Value in £</i>
1895-96 . .	24,612	7,925	2,099	34,636	13,43,07,029
1896-97 . .	19,370	5,053	3,397	27,820	11,85,02,610
1897-98 . .	18,002	4,953	3,317	26,272	11,58,70,280
1898-99 . .	25,905	8,636	2,852	37,393	15,67,76,454
1899-1900 . .	21,671	7,873	2,318	31,862	13,00,58,725
1900-01 . .	21,394	8,106	1,566	31,066	13,14,22,857

The actual destination of the whole of the exports is not known, for more than one-third is shipped nominally to Egypt, which means to Port Said for orders. Moreover, some of the rice shipped to the United Kingdom is sent to Falmouth for orders, and in both cases it cannot be said to what ports in the Mediterranean or in the Northern seas the rice is ultimately conveyed. It may be said that a little less than 14 million out of the 31 million cwt shipped were taken to Europe, say between 44 and 45 per cent; while 12 million, say 40 per cent, were taken for consumption in Asiatic countries. Asiatics in Eastern Africa and the islands on the east coast of that continent, and in South America and the West Indies, consume the remainder. Roughly, about 55 per cent of the exports from India are a food supply for Indians and Chinese in Asia, Africa, and America, while some 45 per cent are consumed in Europe as food and as material for the manufacture of spirits and starch. It would be interesting to know the proportions in which the grain is consumed for each of these last purposes, but no estimates have been framed on which dependence can be placed.

The trade in *Wheat* may be dismissed with the statement that it practically ceased to exist, the whole quantity exported being only 2,500 tons. The vicissitudes of this trade have been painfully and frequently illustrated in the recent lustrum of distress. An export of 10 million cwt in 1895-96 was followed by a reduction in the following year to less than 2 millions, and that quantity was but little exceeded in 1897-98. In 1898-99 the exports increased to 19½ million cwt, and then fell again to less than 9½ millions, while last year was a complete collapse. In this present year, however, with the recurrence of an abundant harvest of wheat in the Panjab and the North-Western Provinces, and the probability of a somewhat active demand in Europe, it would seem that an export equalling that of 1898-99 is not unlikely. In that case the trade of Karáchi, which is largely dependent on the export of wheat and oilseeds brought thither from the Panjab for shipment, will be revived after a period of unprofitable inactivity.

The other food-grains (mainly millet and pulse) which are exported also declined to less than half the extent of the trade in 1899-1900, when it fell to a very low level. The trade in these grains, however, is of comparatively no importance.

Tea.—To producers and all concerned in the trade, the year was one of anxiety and depression resulting from the decline of prices to a level much lower than the lowest ever before touched. The statement appended of the prices realised at the public sales in Calcutta illustrates the depth of the descent (annas and pie per pound):

	Orange (and broken Orange) Pekoe	Broken Pekoe	Pekoe	Pekoe fannings	Pekoe Souchong	Broken Souchong	Average
1895-96 . .	11-1½	9	7-3¾	6-	5-11	5-6½	8-9
1896-97 . .	9-11½	8-7½	6-9½	5-9½	5-5½	5-3½	8-8
1897-98 . .	8-9½	7-5½	6-0½	5-	4-10½	4-6½	8-5
1898-99 . .	8-1½	7	5-8	4-8¾	4-7	4-3¾	8-1
1899-1900 . .	7-9½	6-9½	5-8½	5-2½	5-0½	4-11	8-3
1900-01 . .	7	6	5	3-11½	4-1½	3-9½	7-11

While prices were falling so heavily, the imposition of the additional duty of 2d a lb in April 1900 on tea imported into the United Kingdom also filled the minds of producers with dread that the additional cost to the consumer would have the effect of reducing consumption, and the alarm was revived towards the end of the year when it was rumoured, but untruly, that the duty was again to be increased. The fall in prices reduced profits on all tea estates so materially that dividends were paid to shareholders in but few cases and then on a very reduced scale. The reduction of prices was the consequence of over-production, that is, of production expanded in excess of the expansion of consumption in the strictly limited market which now exists for Indian and Ceylon tea. According to the returns made by the owners and managers of tea estates for 1900, it appears that in the five years ending with that year about 107,000 acres were added to the area under tea in India, being an increase of about 26 per cent. This area, in full bearing, can produce at least 40 million pounds of tea. Unfortunately, while reduced prices were the consequence of over-production they also became the cause of the continuance of over-production, for, to compensate for the fall in prices, as much leaf as possible was taken from the plant, and the quantity was increased at the cost of the quality. This operation again, by lowering the quality, had the effect of maintaining and accentuating the

fall in prices. It is not intended here to tender advice to producers in respect of their own business, or to join in the lively controversy on the merits of "coarse" plucking *versus* "fine" plucking. It is only intended to record the conclusion that, when prices fell because tea was produced in excess, the fall induced directors to endeavour, by further increasing production, to continue dividends to shareholders, and that this endeavour to increase quantity was inevitably attended by a reduction in quality, the combination of the two bringing about a further fall in prices. The obvious inference is that the remedy is inefficacious, and that the quantity produced must be proportionate to the consuming capacity of the market which the tea enters. Either the market must be enlarged, or that area in which tea is produced at the greatest cost, whether by reason of the nature of the soil or of the remoteness and inaccessibility of markets, must necessarily be abandoned and some of the existing tea estates be thrown out of cultivation. The extent to which the supply of Indian and Ceylon tea has exceeded the demand is thus presented by the well known London brokers, Messrs. Gow, Wilson, and Stanton, in a recent circular (lb):

	<i>Imports</i>	<i>Consumption</i>	<i>Excess</i>
1895 . .	233,834,519	227,806,249	6,028,270
1896 . .	253,141,438	246,607,478	6,533,960
1897 . .	268,865,989	261,875,872	6,990,117
1898 . .	276,437,473	279,031,828	—2,594,355
1899 . .	302,590,293	288,695,931	13,894,362
1900 . .	331,072,942	314,230,316	19,842,626

It appears from these figures that the quantity thrown on the market during these six years has exceeded the demand by over fifty million pounds, and that the excess of the last two years has been quite remarkable, amounting to $33\frac{3}{4}$ million pounds. As the firm who issue the figures justly observe, there is in this excess supply "abundant reason for the present severe depression in price." If nine-tenths of the Indian and probably a similar proportion of Ceylon production are sent to the United Kingdom, and if the exports increase as they have done from year to year for the last ten years, it is not easy to see how a further fall in prices can be avoided. There is no new circle of people in the United Kingdom to whom the advantages of drinking tea are unknown, and it is probably not going in any way beyond the facts to say that every person in the British islands who desires to drink tea can and does obtain of it as much as he or she wishes to consume or can safely consume. It is indeed likely that some, women especially, drink more tea than is good for them. No material expansion of consumption can therefore be looked for amongst the population of those islands beyond that which is the consequence of waste when the article consumed is very cheap, and that which follows the annual increase of population, but the rate at which the population increases is far slower than the rate at which the production of tea increases. For a material increase in consumption, therefore, the Indian producer must look to the further exclusion from the British market of the remnant—some 35 or 40 million lb—of non-Indian (or Ceylon) tea still taken in that market. He must also depend upon the capture of markets other than that of the United Kingdom. Some progress has been made in this direction, but it is not flattering to our self-esteem to find that in this campaign the producers of Ceylon have made much more headway than Indian producers. The following figures are quoted from a circular issued by Messrs. Gow, Wilson, and

Stanton last month, in which they printed a table to show the expansion in foreign and colonial markets of Indian and Ceylon tea :

	Indian	Ceylon
1896 .	19,226,789	23,222,434
1897 .	22,440,687	29,074,498
1898 .	25,892,985	36,353,643
1899 .	29,651,933	38,778,595
1900 .	33,566,241	49,255,833

It appears then that the increased consumption of Indian tea in markets outside the British islands between 1896 and 1900 was over 14 million pounds, but the increase of exports from India in the same years was over 41 million pounds. The principal consumers in these markets are :

	million lb
Australia	9'58
United States and Canada	6'96
Turkey and Persia	7'71
Germany and Russia	5'58
South Africa	1'27

The owners of Indian tea estates, while striving to gain possession of such markets as these, also recognise, somewhat late in the day, the importance of creating a market in India and in the countries across the Indian frontiers. They have sent a small venture overland from Quetta to Seistan, and are considering arrangements to place packets of tea for sale in the bazars of Indian cities, at railway stations, and other places where consumers are likely to be found. As these arrangements will be undertaken by an enterprising and substantial mercantile firm in Calcutta, there is reason to anticipate that the business will be done in a manner to deserve success.

The exports of tea have expanded without a pause since 1893-94 :

	lb (000 omitted)	Rs
1893-94 .	126,332	6,58,58,355
1894-95 .	129,099	7,55,57,447
1895-96 .	137,710	7,66,48,887
1896-97 .	148,908	8,12,45,480
1897-98 .	151,452	8,05,86,233
1898-99 .	157,471	8,04,48,038
1899-1900 .	175,038	9,09,21,120
1900-01 .	190,305	9,55,09,301

Last year's exports were directed as follows :

	lb (000 omitted)
United Kingdom	166,171
Australia	10,439
Turkey, Asiatic	3,240
„ „ European	618
Persia	2,429
Canada	1,725
Hongkong	1,143
Germany	838
Russia	772

These are direct exports as declared in India and do not include re-exports from the United Kingdom.

METALS

This has been an unimportant trade hitherto, but the value of the trade rose from the low level of 13'6 lakhs to 21'4 lakhs in 1899-1900, and to 47'3 lakhs

last year. The high price of copper and the inability of the people to keep their copper vessels, or to buy new ones, led, as usual in times of famine, to great quantities being thrown on the hands of dealers, to the reduction of imports and the increase of exports. To this cause is due a notable increase in the exports of copper, part of which, however, consisted of coin speculatively struck in the Baroda mint, for which no issue could be found save in exportation after their circulation in British Indian territory had been prohibited: they found a market in the United States. A further part of the increase under metals is due to the expansion in the exports of manganese ore which are beginning to make a respectable figure.

DRUGS, NARCOTICS, AND DYES

Opium.—The poverty of the Chinese opium crop, and the equally bad harvest in Malwa, sent up the price of opium in 1899 to a point far above the level of the comparatively low prices of 1897-98 and 1898-99, and it rose still further in 1900. The quantity exported also again increased, the whole of the increase being in Bengal opium, for Malwa opium had not yet recovered from the effects of the seasons.

The fluctuations in exports and prices are indicated by the figures below:

	<i>From Bengal Chests</i>	<i>From Bombay Chests</i>	<i>Total Chests</i>	<i>Value R</i>	<i>Average price</i>	
					<i>Bengal R</i>	<i>Bombay R</i>
1896-97 . .	39,527	22,731	62,258	8,02,29,228	1,257	1,344
1897-98 . .	37,846	18,223	56,069	6,09,75,632	1,029	1,209
1898-99 . .	41,169	25,959	67,128	7,12,60,093	1,049	1,082
1899-1900 . .	42,427	24,923	67,350	8,20,37,148	1,215	1,223
1900-01 . .	44,994	24,714	69,708	9,45,54,357	1,361	1,349

Indigo.—The exports were still smaller than in 1899-1900 when the quantity exported was extremely small. The crop of Madras indigo was scanty as the result of an adverse season; and while exports from Calcutta were larger than in that year, they were still on a very restricted scale, and much of the increase in quantity was due to a better crop in the North-Western Provinces and Oudh, the area placed under indigo last season in Bihar and Bengal being comparatively small. The limitation of production and export does not seem to have any appreciable effect on the course of prices, and there can now be no doubt that natural indigo has entered upon a severe competition with synthetic indigo, following upon the competition which has been proceeding for several years with aniline and alizarine dyes. This last-mentioned competition has received little if any attention from planters and their newspaper organs, or from the exporters of the finer classes of indigo, because it apparently principally or exclusively affected the inferior descriptions of native grown indigo, the artificial dyes being used for the coarser and cheaper descriptions of fabrics for which the finer sorts of indigo were not used, being too expensive. These, however, were indirectly affected, for the competition tended to depress the price of the inferior indigo and to turn the attention of dyers to those cheaper kinds in preference to the superior classes. It was hardly discernible perhaps, but it certainly existed, and the business lacked elasticity and the capacity of expansion. The position became acutely serious when suddenly, about four years ago, the synthetic indigo, at which the great German chemical company had been working quietly in the laboratory for years, was suddenly put on the market in

quantity at prices which permitted competition with natural indigo. The immediate result was a heavy fall in price and a discouragement to cultivation which has led in Lower Bengal to its practical abandonment, while in Bihar also the area under indigo has been materially restricted. Many planters now are cultivating other crops in addition to indigo, and strenuous efforts are being made in the direction of reducing the cost of production and increasing the yield. In both directions the experiments which are being conducted under the control of the Bihar Planters' Association, and with pecuniary aid from the Government of Bengal, are full of promise.

The course of the export trade is indicated in the subjoined figures (cwt) :

	From Calcutta	From Madras	From other ports	TOTAL	Value R
1894-95 .	106,830	44,974	14,504	166,308	4,74,59,153
1895-96 .	111,714	62,425	13,198	187,337	5,35,45,112
1896-97 .	109,001	43,680	16,842	169,523	4,37,07,570
1897-98 .	71,364	48,165	14,320	133,849	3,05,74,019
1898-99 .	81,779	42,760	10,648	135,187	2,97,04,781
1899-1900 .	59,078	39,853	12,489	111,420	2,69,25,107.
1900-01 .	71,637	18,940	11,914	102,491	2,13,59,808

RAW MATERIALS

Coal.—This trade was actively stimulated last year by the extremely high price to which English coal was raised. The production exceeded six million tons, and 541,445 tons were exported, the coal being shipped as usual mainly to Colombo, but going last year further afield than ever before, to Suez and the east coast of Africa, to Java and to Sumatra. It also displaced a considerable quantity of English coal in India, as stated under the head of imports. A still larger trade would probably have been recorded if the carriage of coal from the mines to Calcutta had not been impeded by the want of railway trucks.

Cotton.—This important trade underwent great contraction in 1899-1900, and last year there was a further decline in the exports, the consequence of poor crops. Prices rose to an unusually high level in sympathy with a high level of prices for American cotton, and the rise is reflected in the aggregate value of the exports which was higher than in the preceding year, though the quantity shipped was much smaller, as will be seen from the figures appended :

	Cwt (000 omitted)	Value R
1896-97 .	5,216	12,97,00,886
1897-98 .	3,723	8,87,13,130
1898-99 .	5,411	11,18,85,385
1899-1900 .	4,373	9,92,50,646
1900-01 .	3,576	10,12,74,007

The high level of prices reached in the United Kingdom for American cotton, and in Bombay for Indian cotton, will be seen from the figures appended, which represent the price of American cotton in pence per pound and of Indian cotton in rupees per candy of 784lb :

American	Indian
3½ Average 1898	141-8
3½ „ 1899	151-8
4½ January 1900	212-8
5½ April „	222-4
6½ October „	204-4
5½ January 1901	199-12
4½ April „	167-4

In the unusual circumstances of the year it is unnecessary to compare the destinations of the exports with the destinations in the preceding years. In the midst of a financial and commercial crisis in Japan which affected the cotton mills there more seriously even than Indian cotton mills have been affected during the past year, it is not surprising that that country was unable and unwilling to buy Indian cotton extensively at an abnormal level of prices, and that Japanese spinners took instead American cotton, which was better value at the comparative levels of price. The policy of millowners there, as in India, was to buy no more than what was strictly necessary, and consequently the exports thither were only a third of the exports of the last few years. The trade, however, has since been actively resumed. The high prices also reduced the demands of most of the other consumers of Indian cotton, except in the United Kingdom where spinning and weaving were unusually active after a previous year of great activity.

Hides and Skins.—The unprecedented dimensions of the trade in hides in 1899-1900 were exceeded last year; in the two years more than twenty-eight million hides were exported, a melancholy testimony to the intensity of the drought and the extensive area over which it prevailed. The number of skins of smaller animals, not horned cattle, was also abnormally large, though not so large as in the preceding year. These supplies, made available by the failure of a monsoon, fell fortuitously upon a market which happened to be eager to have them, and prices were well maintained. It is well, however, that the flow of the trade has abated for lack of material and has returned to its ordinary dimensions :

<i>Hides</i>			<i>Skins</i>		
	No.	₹	No.	₹	
1896-97	7,427,943	2,54,10,442	6,310,988	69,35,318	
1897-98	10,072,470	3,37,49,320	9,842,409	1,11,93,650	
1898-99	8,864,329	2,94,84,746	10,667,448	1,20,66,090	
1899-1900	13,474,323	4,92,49,617	16,838,540	1,96,33,877	
1900-01	14,654,818	5,26,62,193	14,349,444	1,72,22,325	

Jute.—The limited exports of the two years antecedent to last year were due in the main to restricted crops, aided by the increasing demands of the Bengal jute-weaving mills. Last year the crop was also not a full crop, but it was much better than in the preceding years, and there was therefore a material recovery in the quantity exported. But the local demand for the mills was active, and prices rose higher than in 1899-1900 when they were comparatively high. All the consumers of jute took larger quantities, the United Kingdom and Germany particularly. These two countries take about two-thirds of the exports. Appended are the figures of the trade :

	Cwt (000 omitted)	Value ₹
1896-97	11,464	10,55,05,775
1897-98	15,023	10,12,99,916
1898-99	9,864	6,94,12,452
1899-1900	9,725	8,07,16,465
1900-01	12,414	10,86,77,562

Seeds.—The most important of these articles are subject to the same climatic influences as wheat, being cultivated in the same regions and under the same conditions; and a bad year for wheat is also a bad year for oilseeds, at least for those which constitute the bulk of the trade, namely, linseed, rapeseed, and sesamum seed (til or jinjili). Since 1895-96, with the one exception of

1898-99, when the trade approximated to normal proportions, the exports of these seeds have been greatly restricted every year, and it is necessary to go as far back as 1882 to find a parallel to the diminished trade of last year, following on the failure of the crops. At the same time, though the quantity exported was so dismally small, the course of prices for linseed and rapeseed was high and the aggregate value of the trade consequently larger than it has been in some previous years when a much greater quantity was exported. The dimensions of the trade are given in the figures below for the last three years, and also for two earlier years in which the trade was larger than it has ever been before or since. These figures show at a glance the vicissitudes to which the trade is liable from bad seasons:

	Cwt (000 omitted)	Rs
1893-94	24,229	16,75,32,514
1894-95	20,887	14,20,15,203
1898-99	19,280	11,84,71,942
1899-1900	15,775	10,09,95,284
1900-01	10,998	9,01,40,351

Rapeseed, which is grown most largely in the Panjab for export, was affected proportionately more than the other descriptions. The quantities exported (in cwt, omitting the last three figures) are appended:

	1898-99	1899-1900	1900-01
Linseed	8,827	7,293	5,060
Til or jinjili	3,070	2,470	1,844
Rape	4,789	3,409	1,727
Castor	1,210	883	876
Poppy	871	949	802
Earthnuts	88	156	232

By way of compensation, the crop of rapeseed recently harvested in the Panjab is so abundant as to exceed the average threefold, and an extremely active trade during the present year may be expected. The yield of sesamum has also been very abundant, and there will probably be a good export season for this seed. But this anticipation cannot be entertained for linseed which was unfortunately affected by rust when the crop promised well, to such an extent as to reduce the yield to less than the average.

The trade of last year in *Bones*, like the trade in hides, must be regarded as salvage from the famine wreckage. In the last two years the exports of this substance have ranged at a deplorably high level. The 73,000 tons which the exports averaged before 1899-1900 rose in that year to 110,000 tons, and last year to 112,000 tons. The 120 lakhs received in the last two years for these bones are a miserable set-off against the loss which the augmented exports represent over and above the ordinary cattle mortality of an average year.

It may be noted in passing that the exports of *oilcake* and *rice-bran* have risen to noticeable proportions, the value of the trade last year being, for oilcake 31 lakhs and for rice-bran 35 lakhs. The increase of the trade in these articles must be regarded with the satisfaction with which the economist views the utilisation of articles formerly treated as waste matter neither utilised nor sold by its owners in this country.

Mica has long been mined in Bengal and Southern India, but there was but little progress in the exports of the mineral until the last two years, when it was exported in quantities twice and then three times as large as the average. The trade is still quite a small business, but it may develop.

ARTICLES MANUFACTURED AND PARTLY MANUFACTURED

The following figures indicate the relative proportions of each principal class of manufactures in the last five years (R) :

	1896-97	1897-98	1898-99	1899-1900	1900-01
Cotton yarn and goods	8,49,64,743	8,15,13,379	7,78,84,697	8,27,41,246	5,70,29,566
Jute goods	5,21,39,303	5,93,08,558	5,79,83,595	6,26,43,495	7,86,46,012
Tanned hides and skins	3,76,67,938	3,82,32,372	3,29,41,349	3,57,45,259	4,49,41,853
Lac	1,38,32,448	1,06,06,642	85,64,921	1,12,48,159	1,04,97,976
Coir	24,00,313	27,34,195	29,84,549	33,23,104	40,17,414
Woollens	20,20,316	22,38,087	22,92,855	25,32,550	29,64,332
Apparel	19,07,898	16,41,356	15,19,282	15,97,207	20,19,814
Silks	15,98,407	12,60,409	12,81,890	12,89,018	12,54,447

The contraction of the trade in cotton yarn is one of the most unsatisfactory features of a year in which trade showed little that was satisfactory. The conditions which combined to threaten and injure the cotton-spinning industry were stated in last year's issue of this review. They continued for a large part of the year; many of the mills were closed entirely; others worked short hours; very few worked at a profit; in almost every case where profits were earned they were much reduced; thousands of mill-hands were sent adrift in a season of high prices and acute distress. It is greatly to the credit of owners, workmen, and traders alike that they struggled with adversity so bravely and quietly, simply concerning themselves in silence to make the best of a grievously bad position. The extent of the disturbance to the industry will be realised from the statement that the quantity of yarn spun last year in British Indian mills was only 342·78 million pounds, the quantity spun in the preceding year having been 501·68 millions. For the mills located in Bombay the crisis was particularly severe, and the figures appended will be of interest as indicating both the proportionate dimensions of the industry in the different provinces and the different degrees in which they were affected by the conditions of the year. These conditions combined an overstocked market for yarn in China followed by disturbances in that country, the occupation of the capital by the European Powers, and a consequent paralysis of trade for the time being, a reduction in the purchasing power of the people of India caused by widespread distress, a sharp elevation in the price of the raw material caused by an inadequate crop, and no corresponding increase in the price of yarn; lastly, there was a considerable increase in the price of coal. The quantity of yarn spun in each province in each of the last three years was (in lb, 000 omitted) :

	1898-99	1899-1900	1900-01	Decline last year
Bombay	368,050	371,041	243,625	34·3 per cent
Madras	30,728	32,252	27,653	14·3 "
Bengal	45,518	37,689	16,291	56·8 "
N.-W. Provinces	32,282	33,349	29,245	12·3 "
Panjab	7,244	7,602	7,236	4·8 "
Central Provinces	18,808	19,752	18,727	5·2 "

It is reassuring to learn that since the beginning of the present year there has been material improvement in the conditions of the industry, and that all the more serious symptoms of depression have appreciably abated.

While the spinners did so badly the weaving mills were on the whole fairly well off, for, though the production was not quite equal to that of 1898-99, it was larger than that of 1899-1900, and a comparatively high range of prices prevailed; but the production (in mills) of woven goods is a much smaller industry than the spinning of yarn.

The acute depression in the production of yarn was accompanied by an equally heavy depression in the export trade, the extent of which is apparent from the figures appended. In the trade in piece goods there was an improvement arising out of the higher range of values :

<i>Yarn</i>				<i>Piece goods</i>			
		£	₹			Yards	₹
		(000 omitted)				(000 omitted)	
1896-97 .	.	195,996	7,17,31,082	1896-97 .	.	74,577	1,20,38,447
1897-98 .	.	199,946	6,96,68,320	1897-98 .	.	62,252	1,06,48,893
1898-99 .	.	219,624	6,60,30,883	1898-99 .	.	60,619	1,05,83,827
1899-1900 .	.	240,693	6,90,21,784	1899-1900 .	.	69,556	1,26,17,445
1900-01 .	.	118,081	4,17,05,891	1900-01 .	.	69,342	1,43,32,297

The exports of yarn to China, to which country the yarn exported from India is shipped to the extent of 95 per cent, declined to half the level of the preceding years, and no compensation worth mention was found in an expansion of the trade with the other countries with which the small remaining fraction of the trade is conducted. The exports of piece goods to China diminished in much greater proportion than the exports of yarn, but China is only a small customer for Indian piece goods which are sent most largely to the Straits and Ceylon—the exports thither being of coloured cloth—Aden, and the east coast of Africa. To the first two countries, and to Persia and Asiatic Turkey, the exports were so much in excess of the average as to offset a reduced supply to Aden and the African coast.

Jute manufactures.—The bags and cloth made in the Bengal jute mills were extensively exported at good prices, and the mills did a good business for their shareholders. The rapid extension of this trade in recent years merits to be set out in detail, the value of the exports now approximating to 800 lakhs, and the goods exported are only a part of the goods made, a large proportion being used in the country. The figures are as follow :

	1896-97	1897-98	1898-99	1899-1900	1900-01
No. of bags exported .	165,945,531	197,619,914	180,896,140	168,323,849	202,908,199
Yards of cloth exported .	169,410,010	242,951,051	280,382,410	307,021,259	365,214,990
Value of export trade ₹.	5,21,39,303	5,93,08,558	5,79,83,595	6,26,43,495	7,86,46,012

It will be observed that the weaving of gunny cloth has expanded far more rapidly than the making of bags.

The trade in *Silk manufactures* is non-progressive if not actually decadent. It may maintain its present level, but that is very far below the former level of a trade of importance in bygone years but now of small consideration.

The decline, however, is much more than compensated for by the development of the trade in *Woollen carpets and rugs*. While the exports of silk piece goods have shrunk to a value of less than 11 lakhs, the value of woollen carpets has gradually risen until it now approximates 28 lakhs.

There was a considerable increase in the value of *Apparel*, caused by the shipment of army boots from the Cawnpore factory to South Africa where they gave very satisfactory wear in the most trying conditions. The exports of *tanned hides and skins*, especially the former, recovered completely from their recent depression; but when the number of hides doubles in a year the remark suggested by the enormous activity of the trade in raw hides must be repeated. The augmentation of the exports of hides and skins, both raw and tanned, from an average of 759 lakhs of rupees in the three years preceding 1899-1900 to an

average of 1,097 lakhs in the last two years sufficiently indicates the loss the country suffered from the mortality of cattle in the drought.

General distribution of the export trade.—The value of the exports of Indian produce and manufactures in the last three years was distributed in the ratios stated below among the principal countries with which the trade is carried on:

	1898-99	1899-1900	1900-01
	per cent	per cent	per cent
United Kingdom	29'3	29'2	30'1
China	11'6	13'3	11'3
Germany	7'5	7'1	8'8
United States	4'9	7'2	6'9
Straits Settlements	5'2	5'2	6'6
France	7'1	6'3	5'7
Ceylon	3'8	3'9	4'6
Egypt	6'3	5'1	4'3
Belgium	4'3	3'2	3'4
Italy	3	2'5	2'9
Austria-Hungary	1'9	1'6	2'6
Japan	4'8	6	2

The position of Japan in this list has been temporarily lost owing to the contraction of the exports of cotton.

Customs Revenue

No important change was made in the tariff during the year.

The gross revenue from imports, salt excluded, was R4,01,42,293, a considerably larger sum than the revenue (R3,62,42,101) realised in 1899-1900, a material portion of the increase being due to the importations of bounty-fed and other sugar to which reference has been made elsewhere. The ordinary duty on imported sugar was R29,86,294 and the additional duties amounted to R22,66,569.

The following are the principal items from which the customs revenue is derived (R):

Articles subject to special rates of duty:

	1899-1900	1900-01
Spirit	64,92,799	63,83,994
Petroleum	43,13,542	49,29,432

Articles of food and drink (other than liquors):

Sugar	25,98,799	52,52,863
Provisions	4,88,831	5,97,228
Spices	4,81,344	4,59,900

Chemicals, Drugs, Narcotics, Dyes:

Drugs, medicines, narcotics	3,64,304	4,41,872
Chemicals	2,58,413	3,26,417
Dyes and tans	3,75,156	3,39,825

Metals and articles made of metal:

Hardware and cutlery	8,24,379	9,48,850
Copper and brass	2,61,594	4,55,409
Iron and steel	3,49,423	4,69,913
Silver	24,32,247	13,34,940

Manufactures of cotton:

Piece goods: grey (unbleached), mostly shirtings, chādars, dhutis, sārīs, and scarves	48,16,838	49,58,157
Piece goods: white (bleached)	18,55,336	21,21,125
coloured, printed, or dyed	23,01,382	20,20,570

Of the other articles enumerated in the tariff schedules, only the few specified below yield an appreciable revenue:

	1899-1900	1900-01
Apparel	6,92,752	7,72,162
Silk and articles made of silk	8,56,393	13,32,609
Woollen goods	8,82,174	10,52,056

It will be observed from the foregoing figures that, though the Indian tariff comprises a lengthy list of dutiable articles, there are but few on which individually any revenue of importance is collected: these are spirituous liquor, petroleum, sugar, metals (including silver), and cotton piece goods. These last are much the most important of all, and it is to be noted that the rate of duty on them is only $3\frac{1}{2}$ per cent, whereas the general rate is 5 per cent.

The export tariff schedule is limited to rice and rice-flour, a duty of three annas (three-sixteenths of a rupee) being levied on each maund of $82\frac{2}{7}$ lb. The duty realised in 1899-1900 (Rs 87,35,486) and last year (Rs 84,89,433) was in both years smaller than the average, owing to the diversion to the famine-stricken tracts in India of rice which would in an ordinary season have been exported to foreign countries.

Balance of trade

The figures appended state the excess of exports over imports, including merchandise and treasure, in each of the last five years (Rs):

	Including Government transactions	Excluding Government transactions
1896-97	19,71,96,000	23,97,10,000
1897-98	10,60,38,000	14,92,85,000
1898-99	30,21,40,000	33,86,54,000
1899-1900	20,76,15,000	25,25,58,000
1900-01	16,51,95,000	22,14,68,000

In the same years the drawings of Council bills have been as follows:

	£	Exchange, pence	Rs
1896-97	15,526,547	14'45	=25,78,70,000
1897-98	9,506,077	15'40	=14,81,28,000
1898-99	18,692,377	15'98	=28,07,64,000
1899-1900	19,067,022	16'07	=28,48,01,000
1900-01	13,300,276	15'973	=19,98,38,000

Gold and Silver Coin and Bullion

The value of the imports and exports is (Rs):

Gold—

	Imports	Exports	Net imports
1895-96	5,02,93,000	2,50,33,000	2,52,60,000
1896-97	4,49,12,000	2,20,01,000	2,29,11,000
1897-98	7,28,12,000	2,37,27,000	4,90,85,000
1898-99	8,84,00,000	2,33,66,000	6,50,34,000
1899-1900	11,44,88,000	2,00,82,000	9,44,06,000
1900-01	11,89,80,000	11,05,59,000	84,21,000

Silver—

	Imports	Exports	Net imports
1895-96	8,33,87,000	1,75,65,000	6,58,22,000
1896-97	8,59,34,000	2,73,74,000	5,85,60,000
1897-98	13,24,94,000	4,77,59,000	8,47,35,000
1898-99	9,05,56,000	5,07,48,000	3,98,08,000
1899-1900	9,52,49,000	5,94,82,000	3,57,67,000
1900-01	12,67,87,000	3,17,15,000	9,50,72,000

The flow of treasure into and from India has presented some very remarkable features in the last two years. In 1899-1900 gold was imported in quite extraordinary quantity, the conditions of trade and exchange making it profitable to the exchange banks to import gold and tender it to Government, as they could do under the currency rules, in exchange for rupees. This importation continued into last year in a slightly increased degree. Meanwhile, however, the Government found the receipt of so much gold, which had to be placed in the currency reserve, to be inconvenient in consequence of the withdrawal of its equivalent value in rupees; and as the receipt of the imported gold was accompanied by the receipt from the mines of most of their output, it was decided to export the gold to London and to buy silver therewith for coinage into rupees. It was also decided to modify the arrangement under which the mining companies tendered their gold at the mints by paying for the gold sixty days after tender instead of immediately, and tenders of gold from the mines thereupon ceased. The Government then began to export the gold they had received, and the mining companies also resumed the exportation of their output. Hence last year saw an exportation of gold but little smaller than the importation, the exchange banks importing gold to be tendered to the Government for rupees, the Government exporting gold to purchase silver for coinage into rupees. But little of the transactions was connected with the ordinary Indian demand for gold for ornaments, which of course at such a time had fallen to the irreducible minimum. The importations of silver on account of Government were far larger than imports on the ordinary trade account, for the coinage of British dollars for circulation in the Far East ceased for the time, and the exports of dollars also ceased, while the ordinary demands of the people for silver for ornaments was at a low ebb. Hence we see a very large importation of silver, the greatest part of it for the State, and an export smaller than in the three preceding years during which British dollars were freely coined in the Bombay mint for exportation.

Stated in ounces, the net import of gold and silver in the last four years has been :

	<i>Gold</i>	<i>Silver</i>
1897-98	732,035	44,284,617
1898-99	1,022,000	23,165,425
1899-1900	1,560,812	18,646,282
1900-01	106,678	49,435,164

It may be of interest to note here that in the six years 1895-96 to 1900-01 the registered imports of rupees have amounted to ₹4,32,92,718 and the exports to ₹9,09,99,310, making a net withdrawal from the currency of ₹4,77,06,592, say 477 lakhs.

Trade with Countries

The trade of India with the world, in merchandise imported and exported, was distributed as follows last year (₹, 000 omitted) :

Europe	120,42,05
Africa and adjacent islands	11,13,24
Asia	39,40,56
America	10,06,09
Australia	2,69,23
TOTAL	183,69,17

The trade with Europe was about 65·6 per cent, and with Asiatic countries about 21·4 per cent, of the whole. Approximately about two-thirds of the trade of India is conducted with European countries, and of that trade much the

largest share is carried on with the United Kingdom. That country indeed takes from 44 to 45 per cent of the whole trade that India does with the world.

In the appended list are enumerated the principal countries with which our trade is conducted, and the value in each case (in rupees, 000 omitted). It should be noted that the places assigned in the list to some European countries might need revision if we knew the destination of the exports to Egypt.

				1899-1900	1900-01
1.	United Kingdom			80,46,70	80,73,70
	China—Hongkong	9,18,87	9,61,90		
2.	" Treaty Ports	6,62,31	4,77,62		
	Total of China			15,81,18	14,39,52
3.	Germany			9,21,59	11,82,25
4.	Straits Settlements			7,73,56	9,41,01
5.	United States			8,86,16	8,48,22
6.	France			7,69,04	7,12,56
7.	Belgium			5,27,06	5,99,12
8.	Austria-Hungary			4,09,91	5,85,64
9.	Ceylon			4,90,87	5,69,91
10.	Egypt			5,60,54	4,82,17
11.	Italy			3,50,35	3,94,66
12.	Mauritius			2,68,15	3,72,80
13.	Russia			2,52,55	3,08,79
14.	Japan			6,85,64	2,93,64

Shipping

In 1899-1900 the contraction of the export trade was followed by a reduction in tonnage on that of 1898-99, and the further contraction of the trade last year led to another reduction in both numbers and tonnage.

Below are given the number and tonnage of steamers and sailing vessels, with cargoes and in ballast, which entered from and cleared to foreign countries:

	No.	Tons	Average tonnage
1898-99	9,686	9,115,646	941
1899-1900	8,528	8,627,426	1,012
1901-01	8,302	8,269,430	996

The steamer tonnage was 94.4 per cent of the whole. The total number of steamers which entered and cleared was 4,718, with an aggregate burden of 7,805,830 tons, the average tonnage of each steamer being 1,654 tons. About 7 per cent of the steamers which cleared left in ballast, a relatively large proportion.

The entries from and clearances to the United Kingdom were 1,991,329 tons, being 24.1 per cent of the total tonnage. Entries from and clearances to British possessions amounted to 3,712,938 tons, or 44.9 per cent of the whole. The tonnage from and to the United Kingdom and British possessions amounted therefore to 69 per cent of the whole.

The vessels which enter and leave the ports of India for the most part fly the British flag, the tonnage under that flag representing 79 per cent of the whole. Adding the proportion of the tonnage of vessels under the British Indian registry, it appears that about 81 per cent of the trade of India is carried under the British flag.

The number of vessels under foreign flags, which entered and left Indian ports last year, was 1,231, their burden aggregating 1,439,625 tons. The vessels flying the principal flags were:

	1899-1900	1900-01
German	209	232
Austro-Hungarian	131	147
French	155	145
Italian	53	60
Norwegian	82	28

Frontier Trade

The advance made in the aggregate value of this trade in 1898-99 was continued in 1899-1900, and the totals are beginning to attain to substantial dimensions. They represent trade in gold and silver as well as in merchandise (R) :

	Imports	Exports	Total
1896-97 . . .	5,54,06,111	4,80,03,482	10,34,09,593
1897-98 . . .	5,61,76,644	4,89,06,290	10,50,82,934
1898-99 . . .	6,08,08,290	5,22,97,343	11,31,05,633
1899-1900 . . .	7,03,90,709	5,58,08,331	12,61,99,040
1900-01 . . .	7,09,92,963	6,57,06,943	13,66,99,906

The record of gold and silver is, however, necessarily so fragmentary that, in considering the geographical distribution of the trade, it will be convenient to notice only the figures which relate to merchandise. These are entered below, the principal countries being arranged geographically, proceeding from west to east along the line of frontier :

		1898-99 R	1899-1900 R	1900-01 R
N.-W. Frontier	Kandahar	59,38,013	71,43,184	56,75,970
	Kabul	8,18,404	44,20,873	47,75,086
	Bajaur and Buner	73,64,467	1,23,33,828	1,08,88,539
	Kashmir	1,55,94,163	1,88,89,262	2,24,79,269
N. and N.-E. Frontier	Thibet	29,39,837	28,97,272	25,31,914
	Nepal	3,63,55,552	3,67,10,064	3,98,61,192
	Western China	28,34,794	33,59,188	43,99,729
E. Frontier	North-Shan States	56,63,313	73,40,530	82,44,591
	South Shan States	69,48,502	65,27,905	67,36,488
	Karenni	20,08,568	26,76,093	27,08,171
	Zimmé	29,09,261	25,72,033	28,02,634

Properly speaking, however, the registration of the trade includes much which at the present day is not really foreign (frontier) trade any more than is the trade between British territory and a Native State, such as Mysore. Most of the trade with Kashmir and with the Shan States should be classed as internal trade, and the registration posts now maintained in British territory to register the trade passing to and from these States should be removed to the northern frontier of Kashmir and the eastern frontier of the Shan States. The record would then show the flow of really foreign trade carried across what is practically the British frontier of India.

Accepting the conditions, however, as they exist, the facts may be taken generally to be as stated below :

North-Western Frontier

About two-fifths of the whole trade crossed this frontier last year. The principal countries with which trade is conducted are Kandahar, Kabul, Bajaur, and Kashmir.

Trade with the Amir's dominions (Kabul and Kandahar) gives no indication of revival under the crushing weight of the Amir's restrictions and prohibitions, combined with the Russian restrictions on direct trade between India and Turkistan.

With the other countries on this frontier trade continues in a satisfactory condition, mainly in consequence of the large influx of Europeans into the

valley of Kashmir every season and of the maintenance of garrisons in the mountains north of Bajaur and Kashmir. A new trade route with Persia through Seistan has been opened recently and gives promise of development, the value of the trade having rapidly advanced, though it is as yet small—only Rs. 16,739.

Northern and North-Eastern Frontier

The trade with Thibet continues on a restricted scale, and its small dimensions are hardly likely to be augmented unless the trading monopoly of the lamas is broken. That, however, implies a social and political as well as an economic revolution, which is not to be expected unless external influences should operate, and this contingency need not be discussed.

The trade with Nepal is larger by far than the trade carried on with any other country, Kashmir alone approaching it, though the trade of Kashmir is but little more than half that of Nepal. The conditions which favour trade in both cases are somewhat similar as regards geographical position and facility of transport. The railway penetrates into Jamu (Kashmir) and the termini of the railways abut in various places on the Nepal frontier, that is, on the terai or low and fertile land which skirts the mountain ranges. Much of the trade is carried on with these places, that is, with Jamu in the case of Kashmir and with the terai in the case of Nepal, the frontiers in both cases being merely artificial. When we come to the trade with countries like Thibet, access to or exit from which is a tedious and most laborious process, while the markets on the other side are an uncertain factor in the calculations of the trader, we find a very limited trade with but little tendency to progress. This is the case with the trade with Western China as well as with Thibet, though last year there was some increase in the restricted trade done with China. Similar remarks apply to Siam, the trade with which across the frontier is much smaller than the trade by sea; but it is trifling either way. With the other States on the eastern frontier there is a fairly extensive trade; but, as observed before, much of this trade is carried on in what is really British territory, and it would be interesting to know what portion of it merely passes through these States or provinces to or from the regions north and east of them. Under the present arrangements we are precluded from learning this.

General

The general character of the trade carried on across the Indian frontiers will be inferred from the appended list in which are entered the principal articles imported and exported, and their value last year (in Rs.):

<i>Imports</i>	1899-1900	1900-01	<i>Exports</i>	1899-1900	1900-01
Cattle	22,29,154	25,22,166	Cotton, raw . . .	12,80,300	11,59,156
Other animals . .	18,57,406	29,12,331*	Cotton yarn :		
Drugs and medicines, including charas . .	17,30,591	17,56,704	European . . .	22,71,042	22,63,556
Fruits, vegetables, and nuts	39,29,745	30,48,336	Indian	13,71,353	18,69,855
Grain and pulse (largely rice) . .	1,57,14,426	1,42,30,976	Cotton goods :		
Hides, skins, and horns	23,24,563	26,04,822	European . . .	1,53,65,687	1,55,52,381
Seeds (chiefly linseed and rapeseed) . .	35,48,805	41,99,965	Indian	52,64,147	55,40,523
Provisions : Ghi . .	58,03,157	76,32,367	Grain and pulse . .	10,15,242	15,10,865
Pickled tea . . .	—	20,74,324	Metals, mainly brass, copper, and iron . .	20,50,503	26,00,900
Wood and timber, chiefly teak . .	88,61,179	86,85,357	Provisions	23,61,025	24,43,863
Wool, raw	30,29,569	29,87,987	Salt	38,23,563	35,97,884
Woollen goods . .	12,61,290	14,51,453	Silk goods	11,41,316	11,73,890
			Spices	21,01,752	25,29,710
			Sugar	18,81,591	22,00,690
			Tobacco	13,34,148	14,28,835

The relative importance of the trade of each frontier province with the countries on the other side of its border will be seen from the figures of last year's trade here appended (R) :

Sind and Baluchistan	86.93 lakhs
Panjab	415.01 „
N. W. P. and Oudh	134 „
Bengal	373.08 „
Assam	14.45 „
Burma	343.51 „

Coasting Trade

The effects of the famine are again strikingly manifest in the increase of this trade, following on the very great increase in 1899-1900. The total trade value (imports and exports) was R835.2 millions, which was R25.8 millions, or nearly 3.2 per cent, in excess of the trade of 1899-1900, and the trade of that year exceeded the trade of 1898-99 by about 18 per cent. The export of rice from Burma to other parts of India, which in 1899-1900 rose to the high level of 13.6 million cwt, was represented by as much as 21.6 million cwt last year. The value of the grain trade, exported coastwise, increased by over seventeen millions of rupees. This was the only special feature of a trade which, as respects other articles, was conducted in ordinary conditions with, however, something of a tendency to contraction due, partly, to agricultural conditions, but more largely to the increasing diversion of trade to the railways.

J. E. O'CONOR

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